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FBIS-EEU-95-082 *28 April 1995*

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Comment: BSP Legitimates Macedonian Separatists

AU2704135295 Sofia DEMOKRATSIYA in Bulgarian 22 Apr 95 p 3

[Commentary by Emil Izmirliev: "'Ilinden' United Macedonian Organization, BCP/BSP Plan Traitorous Games"]

[FBIS Translated Text] On the eve of the brightest Christian holiday—Easter—the unregistered "Ilinden" United Macedonian Organization again flooded mailboxes in the Pirin area with letters in the fictitious Macedonian language, inviting people to a rally at the Rozhen Monastery on 22 April (today) and then a ceremony at the grave of Yane Sandanski on the occasion of the 80th anniversary of his death. The letters are full of anti-Bulgarian appeals and traitorous declarations. The members of Ilinden, who do not hide their separatist Macedonian feelings, promised to today disseminate a newspaper called PIRINSKA MAKEDONIYA printed in color on the territory of our western neighbor and full of provocations against our national interests. The traitors announced that they will strive to reach Sandanski's grave even if the security forces block their way, as has been the case in the last four years. A part of the Ilinden members will try to erect a memorial at the spot where Sandanski was killed, on the road between Gotse Delchev and Kyatuntsi.

The police have promised to prevent both actions. However, at least one of them cannot be stopped because the Bulgarian Communist Party/Bulgarian Socialist Party [BSP] has decided to organize a mass rally in Rozhen, apparently, in order to show how happy the people are under its rule. Thus in effect, ostensibly without being aware of it, the BSP will legitimate the traitorous games of the "Ilinden" United Macedonian Organization, which actually is the party's child from the time of the "people's government."

The Internal Macedonian Revolutionary Organization-Union of Macedonian Societies and the Union of Democratic Forces have said that they will not take part in ceremonies organized by Communists. Chief Prosecutor Ivan Tatarchev also announced that he does not intend to legitimate such a red event with his presence, and he left it to Interior Minister Nachev to cope with the disturbances the Ilinden members intend to create, although it is hard to believe that a handful of people—this is the actual number of the Macedonists—are indeed capable of a heroic act. On the other hand, the red majority in parliament ignored Mr. Tatarchev's proposal to adopt amendments to the Penal Code that would guarantee harsh penalties for traitors who jeopardize the national sovereignty with their territorial claims.

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8 Ministers Reported on List of 'Elite' Communists

LD2704221895 Prague Radiozurnal Radio Network in Czech 2100 GMT 27 Apr 95

[FBIS Translated Text] Stanislav Gross, a member of the Defense and Security Committee of the Chamber of Deputies of the Czech parliament, has confirmed reports about the existence of a secret list of the elite agents of the former Czechoslovak communist state security [StB], called the Z Fund.

The list is alleged to consist of over 3,700 names of top StB agents, including the names of 56 current parliament members, eight ministers, and other people active in the economic sphere.

Gross provided this information in reaction to a statement by Jaroslav Jurkovic, secretary of the Liberal National Social Party [LSNS], who today spoke about the existence and content of the above-mentioned list, referring to unspecified LSNS sources.

Article Questions Delay in Klaus-Meciar Meeting

AU2704184495 Prague LIDOVE NOVINY in Czech 26 Apr 95 p 3

[Article by "mrk": "The Czech Side Does Not Comprehend Meciar's Hesitation Over Meeting With Klaus"]

[FBIS Translated Text] Prague—The Czech Government Office has absolutely no information why, to date, Slovak Prime Minister Vladimir Meciar has not answered the request for a meeting addressed to him by his Czech counterpart, Vaclav Klaus.

"We do not understand Mr. Meciar's policy; we do not know why he does not answer us," Vadim Petrov, head of the Government Office Press Department, told LIDOVE NOVINY. That was his reply to some more evasive statements by the Slovak prime minister regarding the possible meeting with Klaus.

According to Petrov, Dagmar Mrazkova, director of the Office of the Prime Minister, has been trying to contact the Slovak office by telephone, fax, and mail since 12 April. In the letter, Prime Minister Klaus expressed his wish and that of the entire Czech Government that the meeting taking place soon because it could mean a step forward in dealing with common problems. At the same time, he asked Meciar to propose a specific date for the meeting. The meeting of the prime ministers should have been preceded by a mission to Slovakia of Klaus's adviser Jiri Weigel, who was to prepare an agenda for the meeting. The Slovak party has not yet commented on these talks, either.

According to Petrov, the Czech Government Office can do nothing but wait. Nevertheless, the meeting will hardly take place before the end of April as planned because Vaclav Klaus leaves for the United States on 30 April.

SCK Head: Only One Communist Party Will Survive

AU2704152095 Prague RUDE PRAVO in Czech 25 Apr 95 p 3

[Interview with Miroslav Stepan, general secretary of the Party of Czechoslovak Communists, by Jitka Goetzova; place and date not given: "All the Same, There Will Be Only One Communist Party in the End"]

[FBIS Translated Text] [Goetzova] What brought you to the leadership of the Party of Czechoslovak Communists [SCK]?

[Stepan] I would not like to make comparisons. However, I would like to say in all honesty that I am still convinced that what I did in the past was, in essence, honest and truthful. And—perhaps this will sound arrogant—I want to attempt again what I did not accomplish previously.

[Goetzova] You were elected general secretary unanimously. Does this testify to your party's ideological unity?

[Stepan] No party that evolved after November 1989 could have been put together as quickly as the SCK if it had not had a distinct ideological uniformity. Our congress delegates, who represent the 19,600 "accountable" [zuctovatelny] members, are not only in ideological, but, first and foremost, personal agreement. It does not bother them that the same Miroslav Stepan who was the subject of so much discussion five years ago is involved. I bear this in mind.

[Goetzova] You criticized the Communist Party of Bohemia and Moravia [KSCM] sharply in your report and debate, but, at the same time, you called on it to cooperate. On the other hand, the two parties are not much different.

[Stepan] As was said in the report at the congress, only fools slam the doors on each other. We are appealing to them for the 26th time, but the Grebenicekites reply that they will not talk to people like us. This in itself is tantamount to something. It is impossible to proceed like this in politics; it is necessary to talk to everyone in politics, even though I do not have to agree with them. I think that these times will pass. After all, even Josef Mecl, chairman of the Party of the Democratic Left, has said that where there are no Grebenicekites—meant in the full sense of the word—people talk to each other and that there are even places where they work together. The question is whether the two communist parties are the same internally; but, undoubtedly, the name and general objectives obviously are. All the same, I believe that there will be only one communist party here in the end.

Today the world is divided completely differently from the way it was five or 10 years ago. We support what makes sense and has prospects, and to attach definite labels, which is typical of the KSCM leadership, points to an immense immaturity in its policy—for example, that they will not support Vaclav Havel for president.

[Goetzova] And you will?

[Stepan] For me, this is too far away to say. Many KSCM statements point to its irresponsibility and insincerity, and, unfortunately, given these kinds of optics, people may then view even good things with some coefficient of mistrust.

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CTK Says Seized Uranium Spent Fuel From Ukraine

AU2704130695 Bratislava PRAVDA in Slovak 26 Apr 95 p 2

[CTK report: "The 'Uranium Path' Leads Through Slovakia"]

[FBIS Translated Text] Bratislava/Vienna—CTK yesterday published further information on the special steel-plated lead container for transporting nuclear substances that had been seized by the police in east Slovakia a few days ago, embedded in the bottom of which were 18.39 kg of uranium. According to the spokesman for the Vienna-based IAEA [International Atomic Energy Agency], the seized uranium was not suitable for building a nuclear bomb. It was spent fuel from an older nuclear power plant reactor. The four Slovak, three Hungarian, and two Ukrainian citizens, against whom criminal charges have been brought, wanted to sell the uranium for $200,000, according to their own depositions. The point of destination of the material is not yet known. The uranium originated in Ukraine, and, with the help of the organized group, it was to be transported by air from Poprad to Hungary. Slovak, Ukrainian, and Hungarian police have been working on uncovering the international group for almost one year, together with the FBI and Interpol. The search for other members of the gang continues. According to police bodies, the "uranium path" from Ukraine via Slovakia to Hungary has been under observation for about two years. The most frequent point of destination for smuggled radioactive substances is Germany.

Cooperation Agreement Signed With Turkey

LD2704132695 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 27 Apr 95

[FBIS Translated Excerpt] Turkish Foreign Minister Erdal Inonu arrived in Slovakia on 27 April for a two-day visit. Before lunch, the Turkish foreign minister met his Slovak counterpart, Juraj Schenk. The ministers signed an intergovernmental agreement on cooperation in science, education, culture, and sports. Our reporter Jozef Rebo has the latest information from the Hotel Borik.

[Rebo] Shortly after 1200, the ministers Schenk and Inonu signed the intergovernmental agreement on mutual cooperation in science, eduction, culture, and sports. Later on, at a briefing, the ministers said that this agreement was yet more proof indicating that relations between the countries are on a right track. [passage omitted]

Further Cooperation Sought

LD2704204095 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1930 GMT 27 Apr 95

[FBIS Translated Text] Ivan Gasparovic, speaker of the Slovak National Council, received Turkish Foreign Minister Erdal Inonu in Bratislava on 27 April. At their meeting, Inonu, who is on a two-day official visit to Slovakia, conveyed Turkey's interest in military cooperation. He praised the fact that Slovakia had managed to solve the issue of the ethnic minorities' situation, noting that Turkey's experience with minorities was not good, and that terrorist acts committed by minorities were destabilizing the situation in the country.

Today, the Turkish foreign minister was also received by Slovak Prime Minister Vladimir Meciar, who expressed expectation that the two countries would support each other in their integration efforts.

Bomb Demolishes Local Headquarters of SNS

LD2704133395 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1300 GMT 27 Apr 95

[FBIS Translated Text] So far, unidentified culprits using explosives have demolished a shoe factory in Trstena that also housed the secretariat of the district council of the Slovak National Party [SNS] in the Dolny Kubin district.

The premises were private property of the SNS district council chairman, Jan Bukaj. Apart from the premises dedicated to the SNS, 40 sewing machines were lost in the fire, putting 80 women out of work.

The SNS chairman, Jan Slota, described the events as an act of brutal terrorism.

Patriotic Body Criticizes Minorities Ruling

LD2704151995 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 27 Apr 95

[FBIS Translated Text] The Matica Slovenska organization asked us to publish its stand on the ruling by the Council of Europe's parliamentary assembly. The statement is presented by Eva Kristinova, first deputy chairwoman of Matica Slovenska:

[Kristinova] We learned from the radio this morning that the Council of Europe's parliamentary assembly confirmed the proposal of recommendation No. 1201.

The public, which realizes that the Slovak Republic provides the permanently dissatisfied Hungarian minority living in Slovakia with superstandard rights, is very sensitive about news of this kind.

Matica Slovenska therefore considers it very important to point out that the Council of Europe's parliamentary assembly is not the equal of the parliaments of individual European countries. All the decisions of the parliamentary assembly of the Council of Europe are subject to approval by the Council of Ministers of the Council of Europe. The proposal of recommendation No. 1201 has not yet been approved by the Council of Ministers.

The Slovak Republic is far ahead in the observation of minority rights. If the above recommendation is passed by the Council of Ministers, our state and government

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bodies have the right to request the nomination of Slovak representatives into a commission that will investigate and, subsequently, safeguard the observance of minority rights in European countries.

Commentary: Coalition Trying To Shelve Treaty

AU2704162895 Bratislava NARODNA OBRODA in Slovak 26 Apr 95 p 3

[Commentary by Julius Gembicky: "A Dangerous Game With the Ratification Card"]

[FBIS Translated Text] After more than a month, the enthusiasm from the signing of the Slovak-Hungarian basic treaty in Paris is slowly but surely beginning to pale. While in Hungary its ratification in parliament is more than likely, in our country it is becoming more and more problematic. It is paradoxical that its staunchest opponent is the coalition Slovak National Party, which is even venturing to forecast that the treaty will never be ratified. It is making it clear ever more volubly that it intends to work hard to annul Meciar's signature on his most important foreign political state act. Out of fear of the possible collapse of the governing coalition, V. Meciar, at the moment, is allowing the nationalists to step on his corns because he can count on the opposition's trump cards in the ratification game.

Despite the expectations, however, the National Council of the Slovak Republic is not hurrying to ratify the treaty. It is as if time were playing into its hands and as if certain antiratification steps have fallen expediently into its plans. One of these is the dirigisme of alternative education in schools, which makes the Slovak Hungarians see red. The obstinate and arrogant emphasis on the exclusivity of the Slovak majority community and the assertion of the concept for a nation state is reminiscent, sometimes very glaringly, of the, for Slovaks, infamous Eotvos law from the times of pre-1918 Hungary.

The coalition schizophrenia of government policy is remarkable in that, on the one hand, the categorical nature of its orientation toward European and transatlantic structures derives from Meciar's signature on the Slovak-Hungarian treaty and, on the other, that it tolerates measures that, if they do not render it impossible, will at least slow down the process of rapprochement between Slovaks and Hungarians and spoil the chances for a historical conciliation. The ratification of the Slovak-Hungarian treaty in our parliament would open the sluice gates toward this.

If Meciar had been deadly serious about signing the treaty, the radicalization of Education Minister E. Slavkovska's attitudes toward the teachers and their coming to a head with the Hungarian pedagogues would not have suited him in the sensitive preratification phase. He would be more receptive to and accommodating about the things that bother them. There is no excess of funds for Slovak culture and education. They are also concerned about the budgetary reducing diet. But, in the name of a higher principle, it should be of consequence to the government to make sure that Csemadok [the ethnic Hungarian cultural association] and the Hungarian theaters and press do not find themselves in financial difficulties. If, however, the share of funds from the state's coffers for them is drying up radically, someone authorized to do so should at least talk to them about it. Despite the urging of our Hungarian cultural institutions and of deputies from the Hungarian Coalition, Culture Minister I. Hudec has still not found the time to receive them. No government representative will receive them; there is no one in the Cabinet to listen to their minority problems. The Hungarian political scene had a representative in the first Meciar government; no one takes an interest in them today. Their acute problems cannot be resolved by roundtables involving the president and the representatives of the ethnic minorities.

Each act of pressure always elicits counterpressure. The bilingual education move is provoking a natural protest reaction in Komarno with the threat of civil disobedience. Ignoring basic needs provokes more protests. The issue no longer just involves begging for funds. There is also talk about establishing an independent university, where the language of instruction will be Hungarian, transforming the Filakovo Theater into a semiprofessional one, and the pressing need for the adoption of a minority law. A justified suspicion is forming that the implementation of these demands will provoke a stormy Slovak reaction. Maybe someone is banking coldly on this in order to find a suitable pretext in the eyes of the domestic and world public to store the ratification of the Slovak-Hungarian treaty in the coalition's freezer. They would obviously also be pleased with such political preservation in Bucharest.

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Foreign Ministers To Meet in Budapest 29-30 Apr

LD2804094595 Budapest Kossuth Radio Network in Hungarian 0500 GMT 28 Apr 95

[FBIS Translated Excerpt] [Announcer] Several foreign ministers will visit Budapest this weekend [29-30 April]. Foreign Minister Laszlo Kovacs is on the line. Who is coming to Hungary, and why?

[Kovacs] Japanese Foreign Minister Yohei Kono is expected to visit. This was agreed earlier. [passage omitted] We wish to use this visit to get the Japanese Government to encourage Japanese investors to greater activity. We also wish to use this visit to further all aspects of Japanese-Hungarian relations. Mr. Kono will hold talks with me, and also with Prime Minister Gyula Horn, who is expected to visit Japan later this year.

The Japanese foreign minister initiated a meeting in Budapest with the Yugoslav and Macedonian foreign ministers. Since these two foreign ministers will come here at his invitation and with our help, it is worth holding a Hungarian-Yugoslav and a Hungarian-Macedonian [The Former Yugoslav Republic of Macedonia—FYROM] foreign ministers meeting.

[Announcer] Knowing Hungarian-Yugoslav relations, the dispute over the UN sanctions and the Hungarian position, what do you expect? Who initiated the Hungarian-Yugoslav foreign ministers meeting?

[Kovacs] This was initiated by Mr. Jovanovic, knowing that the meeting with the Japanese foreign minister would take place. Of course, it was completely obvious to me, when the Japanese first asked for our help to organize this meeting, that a Hungarian-Yugoslav meeting would also take place, since Yugoslavia plays a key role in the southern Slav crisis. It is our neighboring country, and several hundreds of thousands of ethnic Hungarians live in Vojvodina [Vajdasag], and our bilateral relations are not really settled. Therefore, we have a good reason to meet and review these issues.

There is another reason: The Hungarian foreign minister is the president of the OSCE [Organization for Security and Cooperation in Europe] in 1995. Yugoslavia was suspended from the OSCE because of its role in the southern Slav crisis, and would like this situation to be resolved. We would like Yugoslavia to allow the permanent OSCE missions back into Vojvodina and Kosovo.

The Macedonian foreign minister will undoubtedly raise the issue that the Former Yugoslav Republic of Macedonia would like to become a full OSCE member. I support this, and so do the great majority of the OSCE countries. It is Greece that opposes this, due to the known Greek-Macedonian dispute.

[Announcer] Will you mediate between the Yugoslavs and the Macedonians here in Budapest?

[Kovacs] No, I will not mediate; this has not been mentioned so far. I will hold talks with the two foreign ministers separately. It is, however, possible, and Prime Minister Gyula Horn announced in Strasbourg that I will visit Belgrade soon as current president of the OSCE, and then, obviously, the southern Slav crisis will be discussed primarily. [passage omitted]

Text of CE Recommendation No. 1201 Published

95CH0211A Budapest MAGYAR HIRLAP in Hungarian 22 Mar 95 p 8

[Text of "Recommendation No. 1201 by the Parliamentary General Assembly of the Council of Europe"]

[FBIS Translated Text] *Consummation of the Hungarian-Slovak basic treaty became possible when the Slovak partner agreed to accept Protocol No. 1201, a document adopted by the parliamentary general assembly of the Council of Europe [CE] in the form of a recommendation, as a supplement to the Council of Europe Agreement on the Protection of Human Rights. This document details the rights of persons belonging to national minorities, rights which are to be protected. It has not been possible to consummate the Hungarian-Romanian basic treaty thus far because Romania has not shown a willingness to accept Protocol No. 1201. Recommendation No. 1201 was adopted on 1 February 1993.*

1. Whereas the diversity of nations and cultures is one of the chief sources of the richness and vitality of European civilization;

2. Whereas national minorities make significant contributions to the cultural diversity and dynamic character of European states;

3. Whereas ethnic conflicts can be ended, in the long term, exclusively by recognizing the rights of persons belonging to national minorities in a state, and by providing international protection for such rights, thus contributing to the interests of justice, democracy, stability and peace;

4. Whereas the rights in question may be exercised by any person individually or jointly with others; and

5. Whereas the international protection of the rights of national minorities constitutes a fundamental part of the international protection of human rights, and as such constitutes an area of international cooperation,

The member states of the Council of Europe signing this Protocol have agreed as follows:

Chapter 1

Definition

Article 1

In the context of this Agreement (in this text the term "Agreement" refers to the Agreement on the Protection of Human and Fundamental Civil Rights) the term "national minority" refers to a group of persons living in a state, who

(a) reside within the territory of the state, and are citizens of the state;

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(b) have maintained close, long-term contact with the state;

(c) bear distinguishing marks from the standpoint of ethnicity, culture, religion, or language;

(d) are present in significant numbers, even though they are fewer in number than other people in the state, or in a region of the state; and who

(e) regard the joint preservation of everything that represents common identity—such as the preservation of culture, traditions, religion, or language—as their important task.

Chapter 2

General Principles

Article 2

(1) Belonging to a national minority is based on a person's free choice.

(2) Disadvantage must not enure from the fact that a person has agreed to belong to, or has rejected belonging to, a national minority.

Article 3

(1) Any person belonging to a national minority has a right to freely declare, preserve, and develop his own religious, ethnic, linguistic, and cultural identity, and must not be made the subject of any assimilation experiment against his will.

(2) Any person belonging to a national minority may exercise and enjoy his rights individually or in association with others.

Article 4

Any person belonging to a national minority is entitled to equality before the law. Discrimination based on belonging to a national minority is prohibited.

Article 5

The deliberate changing of the demographic composition of an area populated by a national minority, to the detriment of the minority, is prohibited.

Chapter 3

Individual rights (Substantive rights)

Article 6

Persons belonging to national minorities have a right to establish their own organization(s), including political parties.

Article 7

(1) Every person belonging to a national minority has a right to freely use his native language verbally and in writing, in private life as well as in public. This right also applies to the use of the language in publications as well as in the electronic media.

(2) Every person belonging to a national minority has a right to state his first name and family name in his native language, and to have such first name and family name officially recognized.

(3) In areas heavily populated by a national minority, persons belonging to such a national minority have a right to use their native language in communications with governmental authorities, as well as in the course of proceedings in courts and before judicial authorities.

(4) In areas heavily populated by a national minority, persons belonging to such a minority have a right to post designations of localities, signs, inscriptions, and other similar information in their native language, in a manner visible to the public. The exercise of this right must not impinge on public authority to also convey the above information in the official language or languages of the state.

Article 8

(1) Every person belonging to a national minority has a right to learn his native language and to be educated in his native language in schools and state educational institutions established in appropriate numbers pursuant to the geographical distribution of the minority.

(2) Persons belonging to a national minority have a right to establish and operate their own schools and educational institutions within the legal framework of the state.

Article 9

If the rights protected by this Protocol are violated, every member or representative organ of the national minority has a right to obtain effective legal recourse from the authorities of the state.

Article 10

While duly observing the territorial integrity of the state, every person belonging to a national minority has a right to maintain free and unimpeded relations with citizens of another country who share the common ethnic, religious, or linguistic characteristics, or the cultural identity of the minority.

Article 11

In the regions where they are in a majority the persons belonging to a national minority shall have the right to have at their disposal appropriate local or autonomous authorities or to have a special status, matching the specific historical and territorial situation and in accordance with the domestic legislation of the state. In areas where persons belonging to a national minority are in the majority, such persons have a right to have their appropriate local or autonomous authorities (local governments), or to enjoy a special status consistent with their

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own peculiar historical and regional situations and with the internal laws of the state.

Chapter 4

Interpretation of the Protocol

Article 12

(1) No provision of this Protocol shall be interpreted to abridge or restrict the individual rights of persons belonging to national minorities, or collective rights applicable to national minorities, that are incorporated in the laws of a state entering into an agreement or included in an international agreement to which the state is a party.

(2) Government administrative, political, economic, social, cultural, and other measures designed exclusively to protect ethnic groups, to provide appropriate support for their development, or to ensure that the rights and treatment of such groups are equal to those enjoyed or experienced by the rest of the population shall not be regarded as discriminatory.

Article 13

Persons in the majority in the whole of the state, and persons in the minority in one or more areas of the state, shall be fully entitled to exercise the rights and liberties enumerated in this Protocol.

Article 14

The exercise of the rights and liberties enumerated in this Protocol shall not impinge on the performance of duties and responsibilities flowing from state citizenship. Nevertheless the exercise of these rights may only be made the subjects of formalities, conditions, restrictions or punishments that are prescribed by law and are necessary in a democratic society to protect national security, territorial integrity, or the public order, to prevent criminal acts and to protect health and morals and the rights and liberties of others.

Chapter 5

Closing Provisions

Article 15

Based on Article 15 of the Agreement, no deviation shall be made from the provisions of this Protocol, except in cases specified in Article 10 of the Agreement.

Article 16

Based on Article 64 of the Agreement, no reservation shall be made regarding the provisions of this Protocol.

Article 17

States entering into an agreement shall regard Articles 1.11 of this Protocol as supplemental articles to the Agreement, and shall apply all provisions of the Agreement accordingly.

Article 18

This Protocol is available for use by the member states of the Council of Europe which have already signed the Agreement. The Protocol must be ratified, accepted, or approved. Member states of the Council of Europe may ratify, accept, or approve this Protocol only if prior to doing so, or simultaneously with doing so, they also ratified or ratify the Agreement. Documents evidencing ratification, acceptance or approval shall be deposited with the executive secretary of the Council of Europe.

Article 19

(1) This Protocol shall take effect on the first day of the month following the month in which declarations by five member states of the Council of Europe indicate their agreement to regard the Protocol as having mandatory force, pursuant to the provisions of Article 18.

(2) With respect to any member state that subsequently expresses its consent to recognize this Protocol as mandatory, the provisions of the Protocol shall take effect on the first day of the month after the month in which documents evidencing ratification, acceptance, or approval are deposited.

Article 20

The executive secretary of the Council of Europe shall notify the member states of the Council

(a) whenever this Protocol is signed by a state;

(b) whenever a document evidencing ratification, acceptance or approval is deposited;

(c) whenever this Protocol takes force; and

(d) of any legal act, notification, or communication.

Assets To Be Exchanged for Compensation Vouchers

*LD2704203*95 Budapest Kossuth Radio Network in Hungarian 1900 GMT 27 Apr 95*

[FBIS Translated Text] The government has instructed Privatization Minister Tamas Suchman to offer appropriate assets in exchange for compensation vouchers.

The government has also decided that only 275 of the heretofore 403 monuments will remain state property.

The government will rent four satellite channels for an annual fee of nearly $11 million.

Special Border-Control Agreement With Austria

LD2704132195 Budapest Kossuth Radio Network in Hungarian 1000 GMT 27 Apr 95

[FBIS Translated Excerpt] Interior Minister Gabor Kuncze has just returned from Brussels, where he asked

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for help to insure that traffic on the Hungarian-Austrian border will flow without hitches after Austria joins the Schengen agreement. Judit Laszlo is on the line now.

[Laszlo] Our partners in Brussels and The Hague received Hungary's efforts with understanding and supported the idea that Hungary will conclude a special agreement on border crossing with Austria. Austria will ask the Schengen states' approval of this agreement at a later date. This was said by Interior Minister Gabor Kuncze at a press briefing held at the airport [in Budapest].

According to the special agreement, three channels will be set up at the Hungarian-Austrian border crossing points. One will be marked for citizens of the Schengen countries, another will be used by Hungarian citizens, and citizens of other countries will cross the border through the third channel.

The interior minister considers it important for Austria and Hungary to reach agreement before the summer tourist season. Kuncze also said that Austria will sign the Schengen agreement tomorrow. However, we will have to face its consequences only as of 1997. The aim of the Austrian-Hungarian special agreement is, precisely, to avoid having Hungarian citizens get into an unfavorable situation when crossing the Hungarian-Austrian border. [passage omitted]

Spokesman Explains Russian Arms-for-Debt Deal

AU2704141895 Budapest NEPSZAVA in Hungarian 27 Apr 95 p 3

[Interview with Defense Ministry Spokesman Lajos Erdelyi by Attila Lenart; place and date not given: "Will We Also Receive Tanks for Russian Debts?"]

[FBIS Translated Text] Talks begin in May between the Hungarian Defense Ministry and Russian officials on the type of weapons we will receive in exchange for $300 million of the outstanding Russian debt. We asked Lajos Erdelyi what kind of arms Hungary would like to have.

[Erdelyi] The experts and ministry leaders think we should purchase arms that will enable us to eliminate existing shortcomings in the long run too. The obsolete armored personnel carriers used by the Rifle Corps for several decades have long been eligible for replacement. This seems to be the most urgent problem. We would also like to purchase long-range missile launchers. However, what we will actually receive does not depend only on us.

[Lenart] Does that mean that we might also receive tanks?

[Erdelyi] It is not impossible, but the purchase of tanks is not our goal. The negotiations will tell what we can receive, what they can supply us. The bulk of our military technology comes from the former Soviet Union, so the supply of spare parts could also be discussed.

[Lenart] How much would this contribute to solving our army's problems?

[Erdelyi] A lot. We do not have a budget for such a large-scale technical modernization—nor for almost any kind of modernization, for that matter.

[Lenart] How could the aforementioned arms be adjusted to the NATO system?

[Erdelyi] Adjusting these systems to NATO would not be a problem because weapons are not the decisive factor for NATO compatibility. Our army structure, its information and computer system, and the soldiers' way of thinking must harmonize with NATO's. We do not need standardized weapons, because a T-72 tank fires or drives the same way as a Leopard.

Bokros on Family Benefits, Welfare Situation

AU2704143995 Budapest NEPSZAVA in Hungarian 27 Apr 95 pp 1, 5

[Interview with Finance Minister Lajos Bokros by Sara Pogany in Budapest on 26 April: "The Finance Ministry Will Propose New Taxes in the Fall—Interview With Lajos Bokros on the Stabilization Program"]

[FBIS Translated Excerpt] [Passage omitted] [Pogany] In your opening speech in parliament, you said that the measures affecting the welfare provision systems is the most disputed part of the law proposal. Have the possible effects been assessed?

[Bokros] Yes, they have, because we did not simply invent that the limit for family allowance, child care allowance, and pregnancy aid—or as it is now called, maternity support—payments should be a monthly income of 25,000 forints per head. Below this level, everyone, without exception, can receive the benefits as a citizen's right. There are two criteria: If someone has real estate worth more than 10 million forints or a car worth more than 2 million forints, then this person cannot receive these benefits. In all other cases, following a statement made at the health insurance local board, the Health Insurance Fund does not have the right to reexamine the claim for benefits.

From the assessment of the effects, which examined the distribution of family incomes, the following greaatly simplified picture can be drawn: The number of citizens who are literally living below the subsistence level—although not by Indian standards—can be estimated at 3 million. They are truly poor. Approximately another 3 million people are living above the subsistence level but have a low average income. These people are living from one month to another, from one payday to another, and their every forint has its place. There is a dividing line here, and another strata follows—again estimated at 3

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million—who do not use all their income, can save, and for whom supporting themselves is not a problem. I add that at least half the families in this group continue to receive a family allowance. Unfortunately, this middle strata is still very vulnerable; and in my view, we cannot yet talk about a middle class in Hungary.

[Pogany] How many people reach the 25,000-forint limit that has now been set?

[Bokros] Only income from work and capital are included in the monthly gross 25,000-forint limit. The family allowance and other welfare benefits are not. The vast majority of Hungarian families do not have this much income per head. The following data also support this: The average gross earning was 33,000 forints in 1994. Therefore, in a family of two parents and two children, even if both parents are working and earn at least this amount, the gross income per head is only 16,500 forints in 1995. For example in 1993, only 15 percent of people with earnings had more than 40,000 forints gross income per month! It can also be assumed that families with higher incomes generally have fewer children. According to welfare minimum calculations, a family of two earners and two children needs 18,000 forints per month to survive in 1995. This amount cannot be accepted as the subsistence level. On the basis of 1993 tax statements, 1.2 million families out of the 1.5 million entitled to family benefits paid tax. The annual income was below 220,000 forints for 25 percent of them, and below 560,000 forints for 90 percent. If the earnings of both parents reach this 560,000-forint annual income, then they are still entitled to a family allowance if they have two children. The annual income limit is 1.2 million forints for a family of two adults and two children, and it is 900,000 for a family of two adults and one child under the age of six. In 1994, of the 1.5 million families entitled to a family allowance, nearly 1.3 million families—84 percent—received a one-off supplement, which was due to those families where the net income per head, including the welfare benefits and family allowance, was below 15,000 forints. At least 15,000 forints net income goes with the 25,000 forints gross income, but the family allowance and other welfare benefits do not need to be included in this. Consequently, the estimates based on the available data show that the introduction of the earnings limit for family benefits will allow 80 percent of the families to keep the family benefit. [passage omitted]

[Pogany] What amount of assets will be given to the social insurance fund and when?

[Bokros] In accordance with the governm[illegible] decision, the social insurance fund will receive ass[illegible] the value of 55 to 65 billion forints from the bu[illegible]t. [passage omitted]

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Supreme Court To Hear Kuklinski Appeal 25 May

WS2804081495 Warsaw GAZETA WYBORCZA in Polish 27 Apr 95 p 1

[Article by "(pw)": "Colonel Kuklinski's Trial"]

[FBIS Translated Text] *"The appeal of the sentence passed against Colonel Ryszard Kuklinski before the Military Chamber of the Supreme Court will begin at 0900 on 25 May," announced Lieutenant Colonel Andrzej Chwiloc, spokesman of the Military Chamber. It still remains unknown whether Kuklinski will make a personal appearance at the trial.*

Col. Kuklinski was sentenced to 25 years in prison for treason against the state. From the early 1970's, he collaborated with the CIA and passed on plans for martial law to the Americans on the eve of its imposition. He fled the country in November 1981. In 1984, the Court of the Warsaw Military District sentenced him to death. The sentence was commuted to 25 years in prison following the 1990 amnesty. Stanislaw Rudnicki, acting first president of the Supreme Court, has come forth with an appeal to repeal the sentence and conclude the legal proceedings.

Lt. Col. Chwiloc did not rule out the possibility that Col. Kuklinski might be granted safe conduct: "This solution is customarily applied when individuals are abroad and wish to stand before the Polish justice administration."

"Col. Kuklinski was sentenced by default. Therefore," explained Lt. Col. Chwiloc, upon lodging the appeal, "if he appeared in the country without a safe conduct, the whole trial would have to be instituted anew. The colonel would have to be put on trial once again on charges of desertion and treachery. The appeal proceedings instituted by the Supreme Court would then be suspended."

Walesa Calls For Expansion of NATO Eastward

LD2704183895 Warsaw TV Polonia Network in Polish 1730 GMT 27 Apr 95

[FBIS Translated Text] President Lech Walesa has said in a speech to the Danish Foreign Policy Society that NATO is today the main guarantor of stability and security in Europe. Extending itself eastward, the alliance has a new, historic mission to fulfill: the elimination of the political walls erected as a result of World War II and the Yalta conference.

[Correspondent Piotr Jazwinski—identified by screen caption] Lech Walesa met leading Danish businessmen and bankers this morning. Encouraging them to invest in Poland, the president spoke about the drawbacks: about the too broad scope of the economic reforms, which has caused many firms to collapse. He also stressed the good points: the large market, the pool of skilled people, the position in the center of Europe.

[Begin Walesa recording] Doing business together unites Europe and makes it more secure. [end recording]

[Jazwinski] Some Danish economists warn about increasing trade exchange with countries like Poland. They are afraid of competition from the cheap labor force. Several times during his foreign visits, Lech Walesa has linked issues of economic cooperation to matters of security, which he thinks the North Atlantic Alliance should guarantee for us.

Presenting to the Danish Foreign Policy Society the reasons that NATO should be extended to include the Central European countries, Walesa stressed that admitting new members to the alliance should set in motion a real process of building a Pan-European security system, free of nationalisms and particular interests. Walesa also said that the Yalta agreements about the division of Europe would then finally cease to be binding.

Commentary on Russia's Inconsistency on NATO

WS2704133295 Warsaw ZYCIE WARSZAWY in Polish 26 Apr 95 p 4

[Commentary by Adam Laszyn: "The Kremlin Carrot"]

[FBIS Translated Text] Contradictory statements by Russian politicians on East European states, including Poland, possibly joining NATO are dizzying. First Yeltsin says in Warsaw that Russia will not oppose the process, only to change his mind upon returning to Moscow. Russian Foreign Minister Andrey Kozyrev was ready to call off international conferences as a manifestation of his firm disapproval of the idea of NATO expansion, yet Minister Bartoszewski, having held a round of talks with the chief Russian diplomat, stated that he has the impression "Kozyrev says what he must say without any inner passion." Yesterday, the Russian ambassador to NATO, the Kremlin's official representative on NATO issues, stated that Russia is not really saying "no." Lack of cohesion between the Russian diplomats? Highly unlikely—[Russian ambassador to Belgium and NATO] Churkin himself stresses that "single-handedness is inadmissible in diplomacy." There are two possible explanations.

First of all, the Russians are raising the crossbar in practicing the proven method of the carrot and the stick. The Kremlin hopes that the more indignant its protests, the more it can bargain. The other side, however, should not be discouraged by overly violent objections. The truth is that NATO can expand regardless of Russia's stance. Statements such as that issued by Churkin may be a signal that Russia's protest is not final.

On the other hand, however, the coming parliamentary and presidential elections force Russian politicians to take the stance prospective voters expect them to. Opinion polls show that advocates of reinstating imperial policies—communists and nationalists—are at the top of the popularity lists.

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There may also be another reason. Russian diplomacy has not yet recovered from its shock and has not yet developed a consistent doctrine that would conform to the current reality. Hence, for example, contradictory statements issued by diplomats on NATO. The Russian Ministry of Foreign Affairs is in utter chaos, just like the undisciplined Army, unorganized industry, and, finally, the entire state.

Comment: Concern About Russia's Military Presence

WS2704133595 Warsaw RZECZPOSPOLITA in Polish 27 Apr 95 p 5

[Commentary by Maria Wagrowska: "Russian Accomplished Facts"]

[FBIS Translated Text] Vladimir Semenov, commander of Russia's Ground Forces, announced that the country's 58th Army would be established in the Northern Caucasus. Establishment of another army in that region, which is contrary to the treaty on reduction of conventional weapons and Armed Forces between the Atlantic and the Ural mountains, has not come as a surprise. Since September 1993 Russia has on many occasions threatened that it will send more troops to the territory which is most vital to it from the point of view of its security interests (threat on the part of Georgia, Armenia, Azerbaijan, and Islam fundamentalists). As a result of the intervention in Chechnya (December 1994), Russia deployed in the Northern Caucasus so many soldiers and so much offensive equipment that it has most probably already exceeded the limits imposed by the treaty on Conventional Armed Forces in Europe [CFE].

So far, however, Moscow has been trying to obtain approval of all the other signatories of the treaty for strengthening its military presence on the so-called border areas. On 26 April it placed West and Central Europe before an accomplished fact. Until recently it could count on understanding—despite loud protests made by the United States and other countries in the Organization on Security and Cooperation in Europe [OSCE], the signatories considered making such a change in the "border-area regulations" in the treaty which might satisfy Moscow. Now the expansion of the Russian Army and deployment of additional forces has put the entire treaty in question. It is very likely that Moscow will dispatch more troops and offensive equipment to other areas included in these limitations as well—that is, to the Transcaucasian region and Petersburg Oblast. Recently there was a report that Moscow intends to transform Kaliningrad Oblast into an independent military district. This would mean that two powerful Russian military districts would be very close to Poland's borders.

This example shows very well the negative military and political consequences that may be caused by violation of or, even worse, withdrawal from the treaty. The nature of this treaty is as follows: countries should decrease their military presence near borders with neighboring states, and in doing so they should emphasize that they do not have any hostile intentions toward them and that they would like to develop good-neighborly relations, based on trust. Thus, the steps taken by Moscow may give rise to suspicions regarding the intentions that the Russian Federation has in its relations with other countries both in the south and in the west. Therefore, these steps are not conducive to improving Russian-Polish relations.

The CFE treaty is the most important agreement on limiting armaments in post-Cold War Europe. It is of paramount importance to the security of the entire continent. If Russia decides not to observe the terms of the treaty, what will become of the laboriously constructed system of European security? How will the U.S. president and the leaders of European states behave during their visits scheduled for 9 May?

Oleksy, Walesa Comment on Sejm Tax Vote

LD2704124295 Warsaw Polskie Radio First Program Network in Polish 1100 GMT 27 Apr 95

[FBIS Translated Text] [Announcer] This year we shall pay the same taxes as last year. The Sejm by the votes of the government coalition has rejected the Constitutional Tribunal's ruling which had declared the taxation law incompatible with the constitution. Consequently, the taxation thresholds will remain at 21, 33, and 45 percent.

Prime Minister Jozef Oleksy thinks that the vote has proven that deputies have a realistic approach to the budget. The prime minister emphasized that the taxation intricacies were not the government's fault.

The prime minister did not give a specific answer to the question concerning income and property declarations—when they would be introduced and to whom they would apply. The announcement about the introduction of such declarations gained the coalition the votes of the deputies from the Polish Socialist Party [PPS] and the New Democracy Circle.

President Walesa, who is visiting Denmark, said that the Sejm's decision was the right one from the point of view of the State Treasury. However, he expressed regret that the decision was contrary to the Constitutional Tribunal's ruling.

[Begin Walesa recording] I think that the Sejm has met the need of the economy, and that at this moment all changes would be complicated and would destroy a certain order. However, as far as law is concerned, what has happened is a bad thing. Law should be respected and for this reason my opinion on this is divided. [end recording]

Breathing Space for Government

LD2704143395 Warsaw PAP in Polish 1208 GMT 27 Apr 95

[FBIS Translated Text] Warsaw, 27 Apr (PAP)—Commenting on the Sejm's rejection of the Constitutional Tribunal's ruling on the taxation law, Prime

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Minister Jozef Oleksy told journalists today that the vote shows that "the coalition is strong and that, when it comes to important matters, internal arguments are not decisive."

The prime minister added that the most important thing to him is the fact that thanks to the Sejm's decision "the government will have some breathing space as far as the budget complications are concerned."

"We shall have more peace of mind when approaching—in the second half of the year—a possible increase of expenditure in some areas with urgent needs," he said.

Oleksy warned that he "would not like to pass judgements" promising a considerable [budget] surplus but added that the government has a very careful approach to expenses.

The prime minister admitted that the government has prepared [contingency] scenarios to take into account a different outcome of the Sejm vote. In his opinion, those measures would be painful for some spheres. "Above all, today's decision by the Sejm clearly opens the prospects for work on next year's budget," he said.

Minister Renounces Verdict on Social Reform

WS2704134795 Warsaw ZYCIE WARSZAWY in Polish 27 Apr 95 p 1

[Article by Piotr Smilowicz: "Miller's Rebellion"]

[FBIS Translated Text] *Labor Minister Leszek Miller refused to obey the government's instructions and submit the draft project on social security reform that the cabinet "reviewed" for social consultation. He will do so only after it is "finally adopted." "The government currently has no project for reforming the social security system," says Miller.*

"Consultations on a project which does not have the approval of all the ministers are premature," said Miller at a news conference yesterday.

According to the labor minister, presenting the trade unions with a project that has not been formally approved by the government would violate the resolution on social consultations.

"Social partners have already approached me today asking whose project this is, anyway. I told them this is not a project of the Council of Ministers," said Miller. He announced he would appeal to the prime minister that the government take up the issue of the project anew. "If it is rejected," says the minister, "we will have to develop an 'alternative' project for reforming the social security system."

"It should be developed by those who have the most reservations about my program. We will offer our advice," he stated.

Miller revealed that Deputy Prime Minister Kolodko is the one to be "thanked" for the government's decision. Although Miller claims the two did finally agree that the implementation of the reform does not exceed the capacity of the budget (the 4 trillion old zlotys that is needed could be raised, for example, by nullifying some of the state retirement pensions), it is the finance minister who "planted the seed of doubt in the heads of cabinet members yesterday."

"The project fails to meet two of the finance minister's requirements: introducing a full price revalorization of pensions and establishing the office of a plenipotentiary for social security outside the Ministry of Labor," Miller explained the reasons for Kolodko's stance. "I think the system of mixed revalorization provided for in the project is better, and that the plenipotentiary is not needed."

According to Miller, the Ministry of Finance "finds every project that does not guarantee immediate budgetary savings unattractive."

Deputy Prime Minister Kolodko was abroad yesterday, and other officials from the Finance Ministry refused to comment on Miller's statement.

Miller did not answer the question of whether he will resign if the government ultimately rejects his project. "I will keep you informed at subsequent news conferences," he said.

Criticized for Hampering Reform

WS2704143795 Warsaw ZYCIE WARSZAWY in Polish 27 Apr 95 p 1

[Commentary by Bronislaw Wildstein: "Do Not Do Today What You Can Do Tomorrow"]

[FBIS Translated Text] We expressed our doubts when the government announced that social security reform would be launched. We found it difficult to believe that the coalition would attempt a reform just as necessary as it is painful. Everything now seems to show that our fears were not without foundation.

Reform of the social security system concerns us all. Colossal taxes that are labelled as premiums have ceased to suffice and this year the budget already has to allocate means to finance the Social Security Agency fund. Unless radical reform is carried out, state funds will sag under the burden of financing the security system.

The project developed by the Ministry of Finance provided for a gradual accrual of finance reserves which would generate profits and bud into a true security system. Minister Miller's insistence that pensions be revalorized according to the price criterion made that impossible. The minister, obviously, was aware of the consequences, but the glory of the defendant of senior citizens that could be put to political use proved more important.

Despite all odds, a compromise was worked out in the end and the reform was heralded. Minister Miller then announced that for reasons incomprehensible to the man in the street the government failed to reach a final agreement and that a new project has to be drafted.

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The fact that the government is unable to reach an agreement on an issue so vital to the well-being of the state and its citizens gives grounds for unease, to say the least. Perhaps this is an avoidance of making a difficult decision. We will all pay the price, but that is a different issue.

Agrobank Bankruptcy Effects Forecast

95EP0087A Warsaw GAZETA BANKOWA in Polish No 14, 2 Apr 95 pp 1, 7

[Article by Pawel Jablonski: "The Agrobank Domino Effect"]

[FBIS Translated Text] Early last February the bankruptcy of the Posnania Bank of Commerce was declared. That was a major blow to the banking system, but fortunately it did not cause a chain reaction—that is, mass bankruptcies of other firms. On 10 April the fate of Agrobank will be decided. If the information that Pekao Bank, S.A., has withdrawn from rescuing Agrobank is confirmed, we may witness the biggest bank bankruptcy in postwar Poland. This time a domino effect will be likely. Agrobank specialized in servicing small companies. The administrator of Agrobank has estimated that some of these companies will go under and about 20,000 employees will be laid off (including 700 employees of the bank). The recently established Bank Deposit Insurance Fund had to spend more than 50 million zlotys [Z] on reimbursing depositors, that being one-half of the funds allocated to it as its starting capital by the NBP [National Bank of Poland] and the Ministry of Finance.

Two district employment offices, two higher state schools, one of the country's biggest cooperatives of the disabled (employing 500), local IRS offices, and more than 6,000 small companies and plants had kept their funds in Agrobank. The consequences of the eventual bankruptcy of that bank can be compared to the collapse of a big enterprise. The bank's management estimates that more than 20,000 persons will lose their jobs.

Agrobank focused on serving small businesses (artisan workshops, stores), to which it offered banking services on very convenient terms. Its branches were sited in areas where no other banks operated and remained open until 2000 hours. They also were open on Saturdays. In effect, 6,500 companies kept about Z30 million in current accounts at Agrobank, plus Z45 million in term deposits. Even now they are experiencing problems with repaying loans owed other banks.

These are just some of the consequences of the eventual bankruptcy of Agrobank. Then also there are the unavoidable attendant extra subsidies from the state budget to some government offices and other budget-funded agencies. The issue of confidence in banks, especially private ones, cannot be overlooked, either. Many elderly depositors had been earning interest on their so-called retirement pension accounts, moreover.

The Number of Creditors Is Growing

Of course, the Bank Deposit Insurance Fund will pay. It has been endowed with Z100 million. But everything indicates that Agrobank itself will have to pay two-thirds of that amount. Moreover, the customers of Rolbank, which in mid-1994 had Z210 million in deposits, may next queue up to be paid.

The management of Agrobank estimates that, as of the status at the end of February, payments from the Bank Deposit Insurance Fund will have to be at least Z50 million. However, that amount is growing with every moment, not only because of the interest being credited in the meantime, but also because the bank's customers have been concluding with other persons agreements in which they assign to them some of the monies in their bank accounts. As a result, the number of the bank's creditors is growing, and, as is known, there is a limit to reimbursements from the Bank Deposit Insurance Fund per customer. Moreover, the bank's officers fear that small depositors who keep less than ECU3,000 plus interest earned in their accounts will sue the bank and demand to be credited with the interest earned (currently at the rate of 54 percent per annum) during the period since the bank's bankruptcy, annually). Ultimately the total amount to be paid out may reach Z100 million.

Yet the estimates are that the bank's liquidation will yield to the Bank Deposit Insurance Fund not more than Z18.8 million. This means that, out of the Z100 million with which it is endowed at present, the Fund will have to spend up to Z78.2 million on insured deposits at Agrobank.

From Pekao Bank, S.A. to the Bank of Food Industry

The question arises whether Agrobank must indeed declare bankruptcy. When its operations were suspended last November, Pekao Bank, S.A. was ready to take it over and was negotiating with the NBP for financial assistance by that central bank. Arthur Andersen [a consulting firm] calculated Agrobank's losses at Z132.2 million at year-end. Most of that amount (Z97.7 million) was in the form of missing reserves. Accordingly, Pekao, S.A. worked out a recovery program based on the demand that Agrobank's biggest customers agree to have their accounts blocked for a period of six years and, in the meantime, earn a symbolic interest rate on them. The NBP was to provide refundable aid in the amount of Z150 million, and Pekao, S.A., together with another investor (probably the Farm Social Insurance Fund), was to altogether spend Z40 million on purchasing shares. Pekao, S.A. wanted the Ministry of Finance to defer its corporate income tax payment. But it was financial assistance from the NBP that mattered most. Yet, as we have learned, that central bank at a certain moment decided that the matter is within the purlieu of the Bank Deposit Insurance Fund, and so negotiations with the

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NBP came to a dead end. Only after it became clear that the Bank Deposit Insurance Fund would not come to the rescue in time were negotiations resumed at the end of March. However, in the opinion of Pekao's officers, there is little likelihood that an agreement will be reached.

In such a situation, Agrobank's board of receivers tried to attract the Bank of Food Industry as a strategic investor. The bank agreed, but the NBP would not give its consent to a merger of two bankrupt banks.

Now according to the calculations of Agrobank's board of receivers, the bank's rescue would require blocking for a period of three years (upon paying 1-percent interest during that period) the settlement of the liabilities not insured by the Bank Deposit Insurance Fund, relieving the bank of the obligation of setting aside the mandatory reserve and providing the bank with refundable assistance in the amount of Z52.3 million. Moreover, investors should buy shares in the bank totaling at least Z50 million. According to the board of receivers, the cost of rescuing Agrobank would be much lower than the cost of letting it become bankrupt.

The matter will be decided in a court of law on 10 April. One thing seems certain now: Further delays worsen the situation. Banking experts are quitting Agrobank. Interest earned on deposits is accumulating, and the patience of the bank's customers is becoming exhausted.

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Iliescu Says CE Documents Not 'Compulsory'

AU2704201695 Bucharest Radio Romania Network in Romanian 1700 GMT 27 Apr 95

[Statement by Romanaian President Ion Iliescu "at the end of his visit to Maramures County" on 27 April—recorded]

[FBIS Translated Text] [Announcer] At the end of his visit to Maramures County, at journalists' request, President Ion Iliescu made the following statement regarding Recommendation 1201 of the Council of Europe [CE]. We should mention that we received this statement during the broadcast of this radio bulletin:

[Begin Iliescu recording] No document that is adopted by the Parliamentary Assembly of the CE is compulsory for countries. Countries can [word indistinct] and can accept it or not accept it, and countries do not submit such documents for ratification. Only documents that are passed by the Council of Ministers of the CE, as was the case of the Framework Convention regarding minorities, are submitted for ratification. As a matter of fact, we have a principle: namely, that on essential issues on which we would have difficulties, we align ourselves with European practices. I believe that others, other European countries, have difficulties aligning to the practices and to the legislation of Romania.

From the viewpoint of ensuring the rights and freedoms of national minorities, we have reached the highest standards, if we consider the ensuring of specific rights of national minorities to be a high standard. There are countries that fail to accept even this principle, countries that believe that there is no real equality if certain particular rights and freedoms are mentioned for certain minorities. They do not even accept the principle of a minority. They do not even accept the principle of nationality. They consider that the principle that complies in the best possible way with civic rights and freedoms is the concept of citizenship—and all citizens of a state are equal from every point of view. They do not even accept the idea of a minority. This is the case with France. Bulgaria did not even want to accept the framework convention (?the way we did).

Thus, each state is free to adopt positions that are adequate and suitable for its own situation, position, and principles. I believe that there are European norms that can be generally valid norms, and we have no difficulty in aligning ourselves with them or implementing them in our life.

Others proclaim principles that they do not apply in their own countries. There are some who talk about the rights of national minorities, pretending to be the champions of the rights and freedoms of minorities—and in their own country they do not grant any rights to national minorities. We do not want to publicize things. What we say and what we declare, we also include in our constitutional principles, include our legislation and implement in our political practice. [end recording]

UDMR: Iliescu Manipulating Public Opinion

AU2704190995 Bucharest Radio Romania Network in Romanian 1700 GMT 27 Apr 95

[FBIS Translated Text] Bela Marko, president of the UDMR [Democratic Union of Hungarians in Romania], stated that the vote of the Council of Europe Parliamentary Assembly satisfies the UDMR, confirming the opportuneness of the position it has adopted so far. In this context, Bela Marko, as well as Senator Gabor Kozsokar and Deputy Gyorgy Tokay, expressed their surprise at the statements made by President Ion Iliescu, which are aimed at, quote, manipulating public opinion in Romania and distorting the image of the UDMR's position, unquote.

According to the UDMR representatives, the solutions included in Recommendation 1201 do not endanger Romania's unity and integrity; on the contrary, they are capable of making a contribution to a better understanding in Romanian society.

Nastase Makes Statement on Recommendation 1201

AU2704161795

[FBIS Editorial Report] Bucharest Radio Romania Network in Romanian at 1010 GMT on 27 April carries a live relay of a news conference held by Adrian Nastase, executive president of the Social Democracy Party of Romania [PDSR] and speaker of the Chamber of Deputies, at Metropolitan Hill Palace in Bucharest. The announcer says that the news hall is "fully packed with journalists" ready to listen to Nastase's statements on "the ruling of the Parliamentary Assembly of the Council of Europe [CE] to have the member countries comply with the terms of Recommendation 1201" on minority rights and the criticism of Romania's minority policies recently voiced in the CE Judicial Commission in Strasbourg on 25 April.

Nastase begins by saying that "we have somewhat dramatized this subject in recent days," since "we probably failed to properly understand the details of the problem, as well as the functioning, sense, and value of certain decisions" made in Strasbourg. Nastase then proceeds to explain the "clear distinction" between the "two dimensions of the CE—that is: between the parliamentary and the governmental dimensions." He points out the CE's "dual formula," whereby the Committee of Ministers is the sole "body competent to act on behalf of the CE," while the Parliamentary Assembly has only a "consultative function" and can only submit recommendations to the CE. These recommendations are "political documents and have no legal value."

On the other hand—Nastase adds—the Framework-Convention on Minority Protection, signed in Strasbourg on 1 February 1995 and later ratified by the member countries, including Romania "has legal value." Therefore, "Recommendation 1201 cannot be imposed

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upon countries," since it has "no legal validity." Nastase says that "it is not accidental that attempts are being made to introduce a reference to Recommendation 1201 in the Romanian-Hungarian bilateral treaty; this would confer legal significance on certain rules that are currently included in a nonbinding political document."

Regarding the aforementioned recommendation, Nastase says that what "bother" Romania are the provisions of Article 11, which stipulates that "in the areas where they are in a majority, individuals belonging to a national minority have a right to their own local or autonomous administrations." This may be interpreted as "acceptance of ethnic autonomy," which runs counter to Romania's national interests. In this respect, Nastase reminds his audience of the Slovak Government's statement of 18 March, which rejects the Hungarian side's claim that Slovakia has accepted the provision of Article 11 on the creation of "administrative autonomy for minorities."

Emphasizing that Romania wants to be treated like any other European country, Nastase say: "If all the European Governments consider that it is good to achieve ethnic autonomies in Europe and a multilateral accord is concluded in this respect, then we will probably adopt it automatically in our legislation. However, there is no such European legal standard for the time being." Nastase goes on to say: "Therefore, the issue is pretty straightforward for us. We will continue to accept that anything that is good for Europe in the matter of minorities is good for Romania, too. We will not accept any kind of discrimination in this respect, or the imposition of different standards."

Referring to the bilateral Romanian-Hungarian treaty, Nastase says that Romania wants to conclude it "at the level of European legal standards" and will not accede to the Hungarian Government's demand for "a different standard, which has not been accepted by anyone else."

Nastase ends his 28-minute introductory statement at 1048 GMT. There follows a 55-minute question-and-answer session.

Asked about whether he considers Recommendation 1201 to be "obsolete," Nastase says that once its elements were "partially" incorporated into the Framework-Convention, it certainly lost much of its value. Then, he begins to elaborate on the connotations of the concept of local autonomy, "which has positive aspects too" and "should not be viewed only in connection with minorities" but rather as "administrative decentralization" and as "the repartition of prerogatives between the center and local power." While he can agree to the concept of "local autonomy," Nastase opposes the concept of "ethnic autonomy" because of its "parallel and segregationist nature." He adds: "Such an autonomy would turn the minority in the zone in question into a majority, or, better said, the relative majority in an area into an absolute majority, thus actually creating new minorities, which according to Article 11 would also be entitled to their ethnic autonomy. A new minority would thus be created, which should also be entitled to its ethnic autonomy. We would thus reach the famous model of the Russian Matryoshka dolls, with smaller local ethnic autonomies within larger local ethnic autonomies. This concept is not accepted by anyone in Europe or the world."

In answer to a question about Romania's image abroad, Nastase said that "unfortunately, we still do not know how to project our good sides; others, namely Hungary, are better at this kind of propaganda." In this respect, Nastase would like to see the Romanian parliamentary delegation to Strasbourg act "more in unison" and forget ideological differences when national interests are at stake.

In answer to another question, Nastase expresses his belief that the "idea of ethnic autonomy will not be accepted easily by the European governments," since it is an "extraordinarily risky matter" and a "Pandora's box, which, once opened, would create difficulties in all countries." But then, he adds, this problem "has not yet arisen," since "there is no legal document to invite us to contemplate this problem." In this respect, Nastase says that he is "much more hopeful after yesterday's intervention by Hungarian Prime Minister Horn at the CE." Asked whether Hungary wants ethnic autonomy for the Hungarians in Romania, Mr. Horn denied it definitely. "This looks to me like a very positive thing and, from my talks with Mr. Botica [Florin Radulescu-Botica, chief of Romania's CE mission in Strasbourg], I infer that, as far as the Hungarian side is concerned, the treaty could be signed today." Nastase adds that "if Article 11 is eliminated from Recommendation 1201, we could separately accept certain aspects already incorporated in the Framework-Convention or envisaged as being included in the Supplementary Protocol."

Asked whether the treaty with Hungary might still require further time to finalize, Nastase stresses that one should take one's time to prepare it properly; this is not a "dramatic matter," since overall bilateral relations function "quite well" even without a treaty. Nastase says that "the question of the borders will not be raised," and he does not think that "the government or anybody else from Hungary will try to change the border with Romania by force." However, he adds that the signing of this treaty is of "psychological importance and will have an impact on the relations between Romanians and Hungarians in general; therefore, the sooner we finalize this treaty, the better."

Asked about the recently signed treaty between Hungary and the Republic of Moldova, Nastase says that "as far as I know, an attempt was made to have Recommendation 1201 included in the treaty." In this connection, he adds: "I am glad, and I think that all of us should be glad, that this pressure—or shall I call it suggestion, to be more elegant—from the Hungarian negotiators has not been accepted, and the treaty as such does not contain such a reference."

In conclusion, Nastase thanks the audience for attending the news conference.

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Muratovic Briefs Assembly on Negotiations

AU2704151095 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 27 Apr 95

[FBIS Translated Excerpt] A session of the Sarajevo municipal assembly was held in Sarajevo today. The councillors discussed several important issues from nearly all spheres of the life in the town. Hasan Muratovic, minister in the government of the Republic and Federation, spoke about the current situation and relations with the UN Protection Force [UNPROFOR]. Mehmedalija Sisic reports:

[Begin recording] [Passage omitted] At the start of the session, the councillors were addressed by Hasan Muratovic, minister in the government of the Republic and the Federation and a president of the commission for liaison with the United Nations. He first talked about the political negotiations. He mentioned the Contact Group [words indistinct] Sarajevo residents [word indistinct] earlier solutions that envisaged demilitarization. We favor demilitarization by which there would be no soldiers within a radius of 20 km, but only police, made up proportionally according to the results of the 1991 census. (?It does not seem likely) that the other side would agree to this, and we must seek alternative solutions, Muratovic emphasized.

The relations with the United Nations, regarding Sarajevo, are such that, on arrival, each new team is yielding to the Serbs whose strategic goal is to prevent political contacts of the legal Bosnia-Herzegovina authorities with the international politicians. The airport and the roads that they use on their side, and also humanitarian aid. [sentence as heard] [Word indistinct] are trying to assert themselves as the negotiators and (?overcome) isolation.

According to some information, the French Blue Helmets have a considerable part in this. As an example, Minister Muratovic said, they know who, what, and when arrives to Sarajevo by plane [words indistinct] with the help of the French. The issue of unauthorized engagement [words indistinct] by UNPROFOR people also regarding Kasindol Street.

As for the talks, there can be none as long as everything pertaining to the blue routes, the airport, and everything signed so far are not honored. [passage omitted].

Then Muratovic spoke about the situation with water, electricity, supplies, and gas supplies. Here, he pointed out he believed that far more could have been done in the town itself to improve the situation. There are alternatives, however, some people, because of poor organization and certain ideas, have hardly done anything in three years. [passage omitted] [end recording]

Efficiency of The Hague Tribunal Questioned

BR2704130095 Madrid EL PAIS in Spanish 27 Apr 95 p 6

[Commentary by Angel Santa Cruz: "War Crimes in the Former Yugoslavia"]

[FBIS Translated Text] Will personalities such as Radovan Karadzic or General Ratko Mladic be detained? Will they appear some day before an international jury like the Nazi leaders in Nuremberg? The beginning of the work of The Hague tribunal for the former Yugoslavia has aroused expectations which reality will weaken in the coming months. There is an abyss between newspaper reports on events and the evidence which establishes guilt.

But what Richard Goldstone, the South African judge tasked as chief prosecutor with investigating the atrocities committed in the former Yugoslavia, has done is to keep his promise to also include top-level officials in declaring the two Serb leaders suspected of war crimes.

That Karadzic and his chief general Mladic should be investigated to establish their responsibilities in the universal shame which has claimed 200,000 lives in three years—85 percent of them defenseless civilians—means very little excerpt with a view to the moral imperative of pursuing executioners. Neither Serbia nor the Bosnian Serbs recognize the legitimacy of the tribunal, which they regard as partial. In fact, its very setting up by the Security Council in May 1993 in order to judge horrors unknown in Europe since Nazi barbarism only bears witness to the very inability of the powers to stop the war or the related process of ethnic cleansing in the former Yugoslavia.

The tribunal of 11 judges has information about 5,000 specific crimes and lists of 3,500 people responsible, and knows the location of 150 mass graves and 900 detention camps. It has 65,000 pages of documents and 300 hours of video tape. But Judge Goldstone—who stood up very firmly to the South African police and was appointed by the Security Council after 14 months of pathetic deals—lacks political support, the considerable money and personnel necessary for making his work effective, and the physical custody of the accused.

In Nuremberg and Tokyo, the accused were tried by their victors. Here there is no victor. Crimes committed during a war which is continuing are being investigated, and all except one of the accused are hitherto far from the judges' reach. "I will go to The Hague when the Americans are tried for Hiroshima, Vietnam, or Panama," jokes Arkan, leader of the Tigers, one of the most bloodthirsty Serb paramilitary groups. The court's task is huge: Selecting cases from among the thousands possible; establishing that the crimes are crimes against humanity, genocide, or grave violations of the laws of war; guaranteeing the witnesses' security and ensuring that they will testify. Its proceedings are observed under a microscope. Its neutrality must be more than perfect.

Also unlike Nuremberg or Tokyo, The Hague is not trying people in absentia. The judges will rule that there is a case open against X, who must be placed at their disposal. The butcher in question will not be able to leave the country where he is hiding and will become an international pariah pursued by Interpol. "It is very

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unlikely," Goldstone says, "that somebody who cannot cross a border will be a political leader."

The United Nations has received the decision on Karadzic and super artilleryman Mladic as a shock; it believes that it jeopardizes the negotiation of an agreement in Bosnia, just when the nominal truce of the past four months is expiring. Its bureaucracy tried to prevent the court from formally deeming them "suspected" of war crimes and genocide. Its spokesman in the former Yugoslavia has announced that it will continue to negotiate with them.

SDA Views Tribunal

AU2704171095 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 27 Apr 95

[Report by Samir Huseinovic on news conference by the SDA in Sarajevo on 27 April—recorded]

[FBIS Translated Text] At a news conference of the Party of Democratic Action [SDA], Dr. Ismet Grbo spoke about the trial at The Hague, emphasizing that the initiation of legal proceedings and investigation of war crimes has many positive connotations today. This is a sign that the democratic world rejects terrorism and fascism as a form of social and political order. Although this gesture is late in coming, it contains a great moral message today. The Pale propaganda machinery cannot play down this decision by the international tribunal neither to their own people nor to others.

The SDA does not hold the entire Serbian peoples responsible for fascism and believes that a great number of Serbs are victims of the fascist ideology and criminal project called the Greater Serbia, Grbo said. Unfortunately, there are many Serbs whose individual responsibility for crimes is undisputable. The beginning of an investigation into Karadzic, Mladic, and Stanisic is a symbolic gesture of the democratic public and the international world order, as well as a serious warning to the Serbs in Belgrade and Pale who created this regime and military dictatorship.

Enver Kreso, member of the SDA Executive Committee, spoke about the party activities prior to the session of the Bosnia-Herzegovina Federation Assembly. He said that the Bosniak bench had sent a letter to the bench of Croatian deputies in which it was suggested that the assembly session be held in a town where a multiparty presence exists. The assessment that such conditions exist in Novi Travnik was adopted. The agreement on the assembly session was a result of dialogue between the Bosniak and the Croatian deputies.

The next session of the Federation's Assembly will discuss the Bonn Treaty, a draft law on defense and internal affairs, a draft law on [word indistinct] and return of refugees. Enver Kreso emphasized that all the technical conditions have not been secured yet, however he believes that everything will be ready for the session that is supposed to take place on 4 May.

Persecution of Non-Serbs Alleged in Banja Luka

95P20748A

[FBIS Media Note] A Croatian daily and a Bosnian weekly recently reported on refugees' allegations of poor living conditions and Serbian persecution of non-Serbs in Banja Luka, the largest city in the so-called Serb Republic in Bosnia.

The 6 April issue of the Zagreb daily VJESNIK published personal accounts by non-Serb refugees from Banja Luka housed in a UN refugee center in Okucani, Croatia. According to the refugees, Bosnian Muslims and Croats in Banja Luka have no rights and were the first to lose their jobs when economic activity in the region slowed as a result of fighting and the UN-imposed sanctions. The city's factories reportedly operate at 10 percent of their capacity. An exception is the electronics firm Rudi Cajevec, which, according to the refugees in Okucani, produces military equipment, mostly for the Yugoslav Army.

The refugees in Okucani told VJESNIK's reporter that there were no shortages in Banja Luka; food, imported luxury goods, and even cars and appliances are readily available—although unaffordable for most people. Remaining Croat residents rely on the Catholic charitable organization Caritas, while Muslims depend on Merhamet, an Islamic charity. Pensions, averaging 25 to 50 dinars a month, are paid irregularly and selectively. The dominant currency is the German mark. Everybody is involved in some sort of trading. The only construction taking place in the city is the building of a new Orthodox church. In contrast, refugees in Okucani stated, all 16 ofBanja Luka's mosques have been razed, and three Catholic churches have been damaged.

According to the same refugees, Banja Luka is now also the home for many Serbian refugees from Gradacac, Brcko, Orasje, Bihac, Mostar, Zagreb, and Glamoc, who depend on humanitarian aid to survive.

The 7 April issue of the Split weekly BIH EKSKLUZIV published excerpts of a letter from a Banja Luka journalist, whose identity it withheld, describing living conditions in the city. According to the letter, factories have closed down, shops are empty, and humanitarian aid is insufficient; only the black market is thriving. Since most men are at the front, the women engage in trade. Travelling by chartered buses, they visit Hungary and a flea market in Subotica in Serbia's Vojvodina Privince to buy goods to resell at home.

Since the signing of the economic agreement between Croatia and the Krajina Serbs that resulted in the opening of the Zagreb-Lipovac highway, lack of fuel is no longer a problem, said the paper, in spite of the UN-imposed sanctions. Serbs from Bosnia and from the UNPA zone of Croatia are able to buy unlimited amounts of gasoline for 90 German pfennigs a liter at the Slaven gas station near Nova Gradiska in Croatia, reselling it in Banja Luka for 3.5 German marks a liter.

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Serbs Set Condition for Use of Sarajevo Airport

LD2704170895 Belgrade SRNA in Serbo-Croatian 1530 GMT 27 Apr 95

[Item received by fax]

[FBIS Translated Excerpt] Sarajevo, 27 Apr (SRNA)—Representatives of the state committee of the Srpska republic [RS] for relations with the UN Protection Force [UNPROFOR] requested at today's meeting in Ilidza with representatives of the peacekeeping forces that an RS office be opened at Sarajevo Airport as a precondition for its use.

The Serb side stressed that it will no longer tolerate any misuse of Sarajevo Airport and that its use will be made conditional on the behavior of the Muslim side at the airports of Cazin and Visoko. [passage omitted]

The RS delegation was led by Maksim Stanisic, deputy chairman of the RS state committee for relations with UNPROFOR, and Momcilo Mandic, assistant chairman of the committee. [passage omitted]

Karadzic Attends Bosnian Serb Government Session

LD2704184195 Belgrade SRNA in Serbo-Croatian 1422 GMT 27 Apr 95

[Received by fax]

[FBIS Translated Excerpt] Sarajevo, 27 Apr (SRNA)—In the first part of today's session in Pale, the government of the Srpska republic adopted a decision on the temporary financing of the republic between April and June 1995 and established the level of financial revenue and expenditure for this period.

After a lengthy debate at a session chaired by Jovo Rosic, the coordinator and minister of justice, in the absence of Prime Minister Dusan Kozic, a report on the debts of enterprises which import [as received] gasoline from state authorities and organizations was approved.

Analyzing all the outstanding debts individually, the Ministry of Finance came to the conclusion that there is a good deal of confusion in this area and it proposed to the government that it settle all debts run up as a result of the gasoline purchased. [passage omitted]

In the second part of the session, which is being attended by Radovan Karadzic, president of the Srpska republic, and which is being held behind closed doors, the government will discuss the budget and sources of revenue for the defense of the republic in 1995, the draft law on earmarking funds for special purposes, and a series of draft laws in the fields of the economy and finance.

Krajisnik: Pale 'Cannot Allow' Drina Blockade

AU2804075695 Banja Luka Srpski Radio Network in Serbo-Croatian 1700 GMT 27 Apr 95

[FBIS Translated Excerpt] Momcilo Krajisnik, Srpska republic national assembly chairman, and Andre Aguillar, head of UNPROFOR [UN Protection Force] Civilian Sector for former Bosnia-Herzegovina, met today in Pale and discussed the possibility of resuming the peace process and extending the cease-fire agreement. Vesna Stakic has the story:

[Stakic] Mr. Aguillar's arrival sets the scene for a visit by Yasushi Akashi, special envoy to the UN secretary general, to Pale on Sunday, 30 April, the expiry date of the four-month cease-fire agreement for former Bosnia-Herzegovina. Mr. Krajisnik said that he would be talking to Srpska republic President Radovan Karadzic and Srpska republic Vice President Nikola Koljevic about the possibility of attending the meeting with Akashi and that they would give him an answer in the course of the evening.

Of today's meeting, Mr. Krajisnik said:

[Begin recording] I can say that Mr. Aguillar was very understanding and we, actually I, expressed my gratitude on behalf of our side for the efforts of the United Nations in an attempt to resume the negotiations and to work out a cease-fire. I pointed to the many problems that have resulted from the fact that the cease-fire has not been observed and said that we had to reach a new quality that would guarantee equal treatment for our side and the fulfillment of obligations specified in the present agreement. We are still negotiating on this. We understand that the United Nations has a very difficult role, but we also expect it to understand that we cannot accept such an agreement being compromised simply because the other side shows no signs of wanting to implement such agreements in their entirety. Previous agreements, and the latest one in particular, cannot be accepted as such because it is fully compromised, but if a new quality is added, the fulfillment of certain obligations is guaranteed, we continue the political dialogue, we resume political negotiations, and we are put on an equal footing with the Muslims and the Croats, then, of course, we are prepared to accept every cease-fire. We cannot allow the blockade at the Drina, sanctions, and other discriminatory measures by the international community or accept this unjust peace under sanctions. [end recording]

French UN Role, Pullout Threat Criticized

AU2704163595 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 27 Apr 95

[Unattributed commentary]

[FBIS Translated Text] In two murders of French soldiers and two unfortunate incidents, 10 Frenchmen died altogether. France has threatened to withdraw its soldiers from UN Protection Force [UNPROFOR] mission if the so-called cease-fire in Bosnia-Herzegovina is not extended and the security measures for the UN troops improved. The English and the Russians have been announcing something similar, also threatening to depart.

Although it is perfectly clear who killed the two French soldiers, it is also evident that the latest threat from the

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land of Gaelic cockerels is trying to tell the government in Sarajevo: Just you try not extending the cease-fire and we shall go.

So what have the French brought us during their stay in the capital of Bosnia-Herzegovina? They only brought food to Sarajevo when the aggressor allowed it. Airplanes only flew when the criminal Karadzic gave his consensus. Security was guaranteed only when this suited those in Pale. As for the French, it is not clear who is their supreme commander, Butrus-Ghali or the leader of the Srpska republic.

Last year, on the occasion of the May Day celebration when a central manifestation for Europe was held here, a French Army officer was unable to guarantee security unless the trade unionists from Pale were invited to attend. That is how the French resolve problems. Actually, there never are problems, and if they do occur then, of course, the Bosniaks are to blame.

When the aggressor's soldiers started seizing UN armored personnel carriers more frequently—and this involved quite a lot of French property, too—the French did not immediately [words indistinct] a conclusion, they have seized them and that was it.

Recalling the occasion when the soldiers of the Bosnia-Herzegovina Army on Mount Trebevic, out of revolt at the incompetence of the UN forces in the area, seized two of their armored personnel carriers, the entire world leapt to its feet. As a consequence, the airlink to Sarajevo was temporarily suspended, which then, as now, meant life in the true sense of the word. The armored personnel carriers were returned very quickly. However, the chetniks do not even contemplate returning what they stole. They can now [word indistinct] vehicles, survey our defense lines, and even attempt to infiltrate themselves into the free territories, all because UNPROFOR does not care. That is the neutrality of UNPROFOR.

It is not clear why the French now favor an extension of cease-fire as a reason for their stay considering that the chetniks killed most of their soldiers precisely during the cease-fire. Regarding the security of the United Nations, it is clear to any soldier that he can only be safe when he knows who is firing. When the French, like all of UNPROFOR, finally learn who is shooting at them, their security will be much greater.

Army Expects 'Massive' Serb Offensive in Bihac

AU2704143895 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 27 Apr 95

[Report by Nada al-Issa from Zagreb]

[FBIS Translated Text] The Serbs on the occupied Croatian territory have been banning the free movement of the Blue Helmets. The Croatian Army has also done the same occasionally, UN spokesman Alun Roberts says.

However, the UN reconnaissance units have noticed that the Serbs from the occupied Croatian territory yesterday retreated in panic from the Bihac front after the fighters of the Bosnia-Herzegovina Army 5th Corps pushed them back in a heavy counterattack in which the heights of (Skok) and Veliki Skocaj were liberated. The UN observers report that panic can now be felt in the so-called Serb Autonomous Province of Krajina.

The UN forces say that they now have problems in carrying out their work. The military reconnaissance units have particular problems since they are facing obstructions. They have not yet received any new instructions on how to behave. UN Resolution 981 on the new UNPROFOR [UN Protection Force] mandate in Croatia is still not being implemented, so the UN forces still behave as UNPROFOR in some places, and as UNCRO [UN Confidence Restoration Operation in Croatia] in others. Alun Roberts says that both the Serbs and the Croats are taking advantage of that, and both sides are bringing weapons and troops into the zone of separation.

On top of that, the Serbs are continuing to seize heavy weapons from UN warehouses on the occupied Croatian territory and transporting them to the border with Bosnia-Herzegovina, where they have been digging in many fortifications. This only confirms that another massive offensive is in preparation for Bihac, as the Bosnia-Herzegovina 5th Corps in Bihac has been warning for days. According to military sources, the offensive is to be expected before 1 May, that is, over the next few days.

FRY Forces, Karadzic Army in Retreat at Brcko

AU2704114395 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 27 Apr 95

[Report by Hamid Deronjic from the Brcko front]

[FBIS Translated Excerpt] Last night saw the fiercest clashes along the so-called Brcko corridor since the start of the huge chetnik offensive, and the Bosnia-Herzegovina Army has won another remarkable victory.

Early evening yesterday the Serbian-Montenegrin aggressor and Karadzic's chetniks launched a fierce—and it seemed decisive—attack with all their military hardware and a large infantry force led by special forces from Nis and Mauzer's Black Panthers [paramilitary force from Serbia] against one of the most important points on the Brcko front—Boderiste.

Despite the intensity and the hardware with which the aggressor's attacks were launched, the courageous fighters of the 216th [word indistinct] Motorized Brigade, 211st Brigade, and the special units of the 21st Division responded fiercely and with precision and successfully halted the attack. Then, with the aggressor's lines already decimated, our fighters launched a swift counterattack and forced the chetniks into a panicked retreat. The fighters of the Bosnia-Herzegovina Army

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managed to recapture the old defense lines of the Croatian Defense Council, which the aggressor had partly moved in his seven-day offensive.

Furious over the loss of these positions, as well as the considerable losses in manpower, the aggressor turned his heavy artillery and tanks on the free Brcko territory.One elderly woman was killed and two other people suffered serious injuries in these criminal attacks on civilian targets. One need not even mention the scale of the material damage inflicted by the destructive chetnik shells. [passage omitted]

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Atmosphere at Prevlaka Talks 'Constructive'

AU2704175395 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 27 Apr 95

[FBIS Translated Text] At the third meeting of the joint interstate commission in Dubrovnik on 25 April, also attended by Yasushi Akashi, the UN secretary general's special envoy, representatives of Montenegro and Croatia agreed to form a joint subcommission that will deal with border problems between the two republics on the Prevlaka peninsula, said (Yuriy Chizhik), peace forces spokesman in Belgrade, at a news conference. Goran Budak reports:

[Budak] According to Chizhik, the joint subcommission's mandate for solving the border problems between Montenegro and Croatia will be established at the next meeting of the joint interstate commission, which will be held in Montenegro in four or five weeks. The UNPROFOR [UN Protection Force] representative expressed satisfaction with the very constructive and tolerant atmosphere that reigned during the interstate commission's meeting in Dubrovnik, stressing the special significance of the meeting in view of the fact that it was held after a three-year pause.

Chizhik told correspondents that after the successful meeting in Dubrovnik, Yasushi Akashi will go to Zagreb today and that he will meet the Japanese foreign minister on 29 April. He will then travel to Sarajevo on 30 April for new negotiations on extending the cease-fire that expires on 30 April.

According to Chizhik, on the basis of UN Security Council Resolution 981 on the UN mandate in Krajina and Croatia, UN Secretary General Envoy Thorvald Stoltenberg held negotiations with Knin and Zagreb representatives with a view to expounding operational details of the new peace forces' mission in the region.

Chizhik stressed that the cooperation between the warring sides is a prerequisite for implementing the UN Security Council resolution.

Roberts: Separation Zones 'Definitely' To Remain

AU2704163895 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 27 Apr 95

[FBIS Translated Text] The zones of separation between the forces of the republic of Serbian Krajina and Croatia will definitely remain, Alun Roberts, UN spokesman for Sector South, said, and added that these zones will be in the exclusive responsibility of the Blue Helmets. TANJUG correspondent Sava Jankovic reports from Knin:

[Jankovic] While waiting for the Security Council to finally decide on the implementation of Resolution 981, which is expected to be done tomorrow, it is totally certain now that the separation zones between the Serb and Croat forces will stay, UNPROFOR [UN Protection Force] spokesman Alun Roberts said in Knin today.

Although Croatia has expressed (?certain) reservation about that, the forces of the UN Confidence Restoration Operation in Croatia will have the exclusive authority in the separation zone, Robert said at the regular news conference in Knin. According to Roberts, a somewhat greater authority will be given to the UN civilian police, particularly in the sphere of the protection of human rights.

Regarding border control [kontrola granica] toward the Srpska republic and the Federal Republic of Yugoslavia, there are still many unclear points, Roberts added. According to him, the Knin authorities oppose the border control very resolutely, and, as he added, it is a cause of a fierce quarrel between Knin and Zagreb. This is why a (?pragmatic) approach is needed in implementing and realizing Resolution 981 because, I quote, there should be no (?coercion) in imposing a mandate.

Speaking about the current situation (?and) the length of separation, Roberts reiterated that UNPROFOR is still concerned about the situation in the Dinara region, which is relatively calm at the moment. However, he warned about the presence of the forces of the Croatian Army and the Croatian Defense Council, which have been strengthening the occupied positions on the Dinara heights. Speaking about [word indistinct] incidents, he singled out the shelling of the UN forces positions in the Vranovaca region last (?Sunday).

UN: Situation Deteriorated in Sector East

LD2704202695 Belgrade TANJUG in English 1950 GMT 27 Apr 95

["Pool" item]

[FBIS Transcribed Text] Vukovar, April 27 (TANJUG)—A spokeswoman for the U.N. Protected Sector East in the former Yugoslav Republic of Croatia said Thursday that the situation there had substantially deteriorated.

Kirsten Haupt blamed the deterioration on extensive military activities of both Croatian troops and Serb Krajina forces. Speaking at a regular briefing in Vukovar in the eastern part of Serb Krajina, Haupt said that the redeployment of peacekeepers in the four U.N.-protected sectors in Serb Krajina and Croatia would be completed by June 30, but did not elaborate.

The U.N. troops were first deployed in the spring of 1992 with a mandate to separate the warring sides pending a political settlement. Serbs in Croatia set up their own state, the republic of Serb Krajina, in 1991, after Croatia launched a war of secession from the former Yugoslav Federation and removed Serb national rights from the Croatian Constitution.

In early April, the Security Council adopted Resolution 981 which gave a general framework for keeping the U.N. peacekeepers in Serb Krajina and Croatia, but left their mandate, size and deployment plan to be defined in a separate resolution by the end of April. Civilian Affairs Coordinator Phillip Corwin told reporters at the briefing

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in Vukovar that Belgian Gen. Freddy van de Weghe took command over Sector East on Wednesday. Asked why a Russian deputy commander had not been appointed at the same time, Corwin could not offer any plausible answer.

Van de Weghe's predecessor, Russian Gen. Aleksandr Perelyakin was relieved of duty on April 11 because of a breach of the U.N. force's ethics code and disciplinary problems, and accusations of collaboration with the Serbs. A Russian Defense Ministry inquiry found no evidence for the allegations.

Army 'Concentration' Reported in Western Slavonia

AU2704173495 Knin Srpski Radio Krajina Network in Serbo-Croatian 1900 GMT 26 Apr 95

[FBIS Translated Text] The Information Service of the Headquarters of the Serb Army of Krajina reported that the members of the 5th Corps of the so-called Bosnia-Herzegovina Army repeated their artillery attack on Mount Pljesevica. They launched the attack from the Vedro Polje area, using 107-mm [as heard] shells. At the foot of Mount Pljesevica, there were Muslim small-arms provocations yesterday, but there were no Serb casualties.

The report continues to say: On the border with Croatia it was calm yesterday and last night, but on the borders in the theater of operations of the Lika Corps of the Serb Army of Krajina, movements of reconnaissance-commando teams were observed, particularly on Mt. Kapela, in the theater of operations of the Vrhovine Brigade, and on Mount Velebit.

In western Slavonia, at Novska, a concentration of Croatian Army forces was observed.

Osijek General 'Not Worried' About Krajina Serbs

AU2804100395 Split NEDJELJNA DALMACIJA in Serbo-Croatian 21 Apr 95 pp 5-6

[Interview with Army Major General Djuro Decak, commander of the Osijek Military District, by Andjelka Mustapic; place and date not given: "Spegelj Is a Political Hack and a Loser"]

[FBIS Translated Excerpt] Tank movements by the rebel Serbs in the former Sector East and their military exercise in Sarvas were, according to Major General Djuro Decak, commander of the Osijek Military District, a demonstration of nonexistent force. Although it is true that the Serbs did succeed in seizing weapons from the UN through the "dual-key" system and obtained permission from Gen. Perelyakin, the UN Protection Force commander of that sector, to hold military exercises, which is "a crucial violation of all norms of behavior within the demarcation zone," as Decak claims, he also said that it did not worry him at all. [passage omitted]

Baranja Is Not a Hard Nut To Crack

[Mustapic] You claim that the rebel Serbs in Croatia have demonstrated their nonexisting force. But explosions could be heard in Sarvas. What happened there?

[Decak] It is true that certain weapons have been transferred from the so-called Yugoslavia to Baranja. According to our data, 18 T-72 tanks and 120-mm self-propelled guns, as well as 900 men to operate the weapons, were transferred to Baranja, but as commander, I am not worried by this because, if you have a look at the map, you see that they do not have the tactical depth necessary to endanger the security of the free areas. [passage omitted]

[Mustapic] Do you have any idea now about the present attitudes of the rebel Serbs?

[Decak] In all the talks with representatives of the international community, military attaches, and ambassadors, I have always stressed that it is necessary to control [kontrolirati] Croatia's internationally recognized borders, not because I am afraid that the Serbs will bring powerful forces and equipment to Croatia, because they do not have the room to deploy them, but so as to force the Serbs to start deciding about their fate themselves. There is an increasing number of signs that they want this. [passage omitted]

[Mustapic] You have stressed that the Croatian Army could very quickly liberate the occupied areas. Does this refer to eastern Slavonija and Baranja too? In Seks's view, however—and this is the dominant opinion of politicians and the public—this area will be the most difficult to liberate.

[Decak] I would not agree with this view, because there are no minor or major wars, but only well or poorly prepared operations. I do not think that this occupied area would be a hard nut to crack for the Croatia's Armed Forces. The Croatian Army has developed into an excellently equipped army and has been proving its qualities in various educational programs every day. [passage omitted]

[Mustapic] Are there any weak points in the defense of the zone of which you are commander?

[Decak] No, there are not. [passage omitted]

[Mustapic] What are the specific characteristics of this area?

[Decak] One of the most important characteristics is the large size of the area. It covers five Slavonian counties, or rather the whole of Slavonija, which consists of two UN Protection Areas: Sector East and Sector West. This is why a large number of people are in uniform. [passage omitted]

This naturally reflects on the economy, so we are now trying to balance the needs of the army and those of the economy: Those needed by the army can stay in the army, and those needed by the economy can return to the economy. If any

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positive achievement comes about, I believe that we can very quickly make another demobilization and retain only the professional army, but I have to point out that our mobilization system enables us to mobilize more than 70,000 people within 48 hours, who immediately get the weapons prepared for them. [passage omitted]

Martic, Mladic Send Greetings to FRY President

LD2704162295 Belgrade TANJUG Domestic Service in Serbo-Croatian 1258 GMT 27 Apr 95

[FBIS Translated Text] Belgrade, 27 Apr (TANJUG)—Milan Martic, president of the republic of Serb Krajina [RSK], and Colonel General Ratko Mladic, commander in chief of the Army of the Srpska republic [RS], sent greetings today to Zoran Lilic, president of the Federal Republic of Yugoslavia [FRY], on the occasion of 27 April, the Day of the FRY.

In his greetings' message the RSK president says that "this day will certainly be remembered as one of the more important dates in the history of the Serb people, because it marks the preservation by the FRY of the continuity of the statehood of the Serb people in the area of the former Yugoslavia."

"I am convinced that with your help the RSK and the RS will, in the near future, be united with the FRY and that in this way the historical goals of the Serb nation will be achieved," Martic's greetings' message stresses.

Colonel General Ratko Mladic, commander in chief of the RS Army, has sent greetings on the occasion of 27 April, on behalf of members of the RS Army and in his own name, to the FRY president, Yugoslav Army Chief of Staff Momcilo Perisic, and all citizens. "We sincerely wish you further progress and prosperity in the achievement of the economic and overall social development of the FRY and its rapid inclusion in the modern world. In the conditions of the most difficult and unprecedented economic blockade and the unscrupulous media demonization of the Serb people, the FRY has withstood all the pressure exerted on it by the world's power brokers who wanted to bring it to its knees," Gen. Mladic's greetings' message says.

Gen. Mladic expressed his thanks on this occasion for assistance provided in caring for refugees from the RS, in treating the wounded and in providing humanitarian aid to the people of the RS, and for the efforts that the FRY is making in the diplomatic sphere to end the war and find solutions for the establishment of a lasting and just peace in the area of the former Bosnia-Herzegovina.

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Federal

Foreign Minister's Interview on Sanctions

LD2704134895 Belgrade TANJUG Domestic Service in Serbo-Croatian 0947 GMT 27 Apr 95

[FBIS Translated Text] Belgrade, 27 Apr (TANJUG)—There are differing opinions in the country on the current international position of the FRY [Federal Republic of Yugoslavia], on realistic possibilities for the abolition of sanctions, and on the achievements of the contact group in the search for solutions to the Bosnian conflict.

In addition, there are differences in the assessment of the Yugoslav diplomatic service—whether it could be more active under the present circumstances.

Yugoslav Foreign Minister Vladislav Jovanovic gave his replies to all these topical questions—from the international position of Yugoslavia to the chances of halting the civil war in Bosnia—in an interview to TANJUG's diplomatic editor Stevan Cordas.

Question: How do you assess Yugoslavia's present international position, and what trends can be expected bearing in mind all the circumstances in which we live?

Answer: Yugoslavia's international position is in the ascendant. This is primarily a result of Yugoslavia's policy of peace which has led the international community to understand that Yugoslavia has affirmed itself as the central player in the peace process and without it there can be no permanent political solution to the Bosnian and the Yugoslav crises.

This continuous, but not sufficiently speedy improvement in the international position is not unfolding without certain difficulties. They can be found in the inertia of the hitherto negative approach to Yugoslavia and also in the interests of certain factors in prolonging the Yugoslav crisis. However, it is evident that there is a growing number of countries which are beginning to have trust in Yugoslavia and which are increasingly and vociferously beginning to oppose the negative tensions created by the Yugoslav crisis and the interests of foreign factors.

Question: It is nearly three years since the sanctions were introduced. In our opinion Yugoslavia has fulfilled all the conditions for their lifting, even more than that. Why have they not been lifted? Is it because of the current balance of forces in the United Nations and the Security Council? In this context the question arises as to whether it is realistic to expect the sanctions to be lifted at present?

Answer: The imposition of the sanctions against Yugoslavia was politically motivated from the very beginning. The reasons for the imposition of the sanctions lay in the attempts to crush our opposition to the policy of breaking up Yugoslavia. The outbreak of the Bosnian crisis was just an additional reason to impose the sanctions. One should not forget that the first sanctions against Yugoslavia were imposed back in November 1991 by the European Community, the explicit reason being Yugoslavia's alleged lack of cooperation which, according to the masterminds of these sanctions, found its expression in rejection of The Hague document which sentenced Yugoslavia to death.

The masterminds of the sanctions never cared to give them legal and political bases. On the contrary, they continuously sought a reason to maintain the sanctions. This is best shown by the fact that they have been maintained despite the fact that Yugoslavia long ago fulfilled all the demands contained in the relevant Security Council resolutions, although it was never convinced that the sanctions were justified and founded.

And here is what is actually happening now. Instead of the Security Council concluding that Yugoslavia has fulfilled all the conditions, it is ignoring that as an irrelevant fact and is examining their extension, at the same time trying to link the issue of lifting the sanctions with other issues in this connection. This is a result of arbitrariness displayed by some permanent Security Council members. This arbitrariness hampers the lifting of the sanctions, making our international position more complex. But this arbitrariness cannot be a durable policy because the idea and conviction are strengthening in the international arena that the sanctions are outdated.

In any case we expect an encouraging dynamic development in the coming period even though we are aware of the fact that the main advocates of the sanctions are continuing to act as a brake on the peace process.

Question: There have been a number of serious criticisms of Yugoslav foreign policy recently. What factors are limiting our effectiveness in the conditions of sanctions, and is the suspicion that our foreign affairs service is still operating in "the old way" justified?

Answer: Our foreign affairs service is in a position which is unprecedented in modern history. No state has been in a similar situation—in which, in the conditions of a complete blockade and sanctions, it is forging links with the world and carrying out its foreign policy function in a satisfactory way. This must be remembered when the effectiveness of our foreign affairs service is assessed.

At present about 95 percent of our foreign policy activities are aimed at resolving the Yugoslav crisis, freeing ourselves from negative burdens, and bringing about the lifting of sanctions. In these circumstances one can talk of a special kind of symbiosis between foreign and internal policy. In this, foreign policy takes care of one part of the work, but the main part should be carried out by internal policy.

Anyone who claims to be unbiased while not seeing what the situation is, is either deceiving himself or is deceiving others.

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As regards the personnel in our Ministry of Foreign Affairs, it shares the fate of the whole of society in our country. They can be neither better nor worse. However, in this regard we have a clear policy of improving the quality of cadres. Over the past few years the process of consolidating this policy has achieved significant success; we have in fact succeeded in shaking our diplomatic service, which was in disarray, out of its lethargy; we have succeeded in giving it a shot in the arm and motivating our cadres.

However, the success of our foreign service, and thus also our own success as well, depends to a large extent on the financial possibilities of the country. This financial support has so far largely been lacking and if we were to form a critical judgement about our foreign service we should first ask what resources we have placed at its disposal.

I maintain that in such difficult conditions, deprived of basic funding, our foreign service has nevertheless succeeded in achieving progress but that, at the same time, both it and the whole of society are facing problems which in part are a legacy of the past, and in part are the result of some unresolved relations that we have in the country.

Question: Relations with the United States are, in practical terms, on ice. Is this a matter of Washington's hostile attitude to Yugoslavia and are attempts being made by us to overcome this?

Answer: We have never lost sight of the fact that the United States is not only the most important power in the world but also that it is one of the most important historical allies of the Serbs and Montenegrins. Unfortunately, I have the impression that during the Yugoslav crisis the U.S. authorities have not had the greatest successes and that they have succumbed to the influence of one-sided information, forming a judgement on the basis of the interests of only one side in this crisis. This negative judgement is like a thread running through the activities of the United States so far, and this is something which we firmly believe is neither in the interests of the United States in this area nor in the interests of a peaceful and political solution to the crisis.

We believe that our relations with the United States cannot be based on conflicts. But our people continue to fail to understand the stubborn, negative standpoint of the U.S. authorities toward the Serb people as a whole and toward Yugoslavia. We want to believe that the United States will begin to alter its policy in relation to the Yugoslav crisis—in favor of greater balance and objectivity.

We are not requesting or expecting any special sympathy from the United States. We simply expect of this great power, as we do of others, that it will take an objective and unbiased stand because this would the biggest contribution it could make to the efforts to achieve a peaceful and comprehensive solution to the Yugoslav crisis.

If the United States really wants to resolve the crisis in this way it cannot in this area have a better and more consistent partner than ourselves.

Question: You said recently that you respect the discreet way in which the Contact Group works. However, after every set of talks in Belgrade, you adhere to this principle while at the same time individual members of this group speak out, assessing that the talks in Belgrade were unsuccessful. Where does the real truth lie?

Answer: Yugoslavia accepted the Contact Group's plan in the firm belief that it represents the basis for achieving peace in Bosnia and thereafter in the other parts of the former area of Yugoslavia. We established an intensive dialogue on this with members of this group.

The principle of the Contact Group's work is that this dialogue—if it is to be as successful as possible—should be screened from the direct view of the public. If there has been some indiscretion by some members of the Contact Group, this certainly is not in keeping with this principle, and this could be interpreted as an intention to continue to exert unprincipled pressure on us.

The nature of the talks with the Contact Group rules out the use of such methods because what should transpire from them is the discovery of a solution to the Bosnian crisis, with the full participation of Yugoslavia as an equal partner.

Question: The four-month cease-fire is running out in Bosnia. Are there any prospects for it to be extended, and if this does not happen how do you evaluate the immediate future of this former Yugoslav republic?

Answer: The four-month cease-fire was a compromise achieved with great difficulty. It was hammered out in the belief and expectation that this period would be used to overcome the crisis and find a final solution, or at least a radical move forward toward a solution.

It has been demonstrated, however, that the Muslim side was not sincere about this cease-fire and was not motivated to achieve a solution. By engaging in large-scale violations of the cease-fire, accompanied by the complete passivity of all those who were supposed to oversee the cease-fire and prevent it from being violated, the Muslim side has destroyed all hope of avoiding a return to civil war in Bosnia.

It turned out that those who warned that a short-term cease-fire was a double-edged sword were right. As a result, we believe that this time there should be insistence on a long-term cease-fire and, if not, an unlimited cease-fire.

The cease-fire so far demonstrates that we have had a sufficiency of experiments with limited cessations of hostilities. The time has finally come for the war in the former Bosnia-Herzegovina to be brought to an end. It must be recognized that this is easier to say than to achieve.

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What is certain is that Yugoslavia has a vital interest in seeing the war brought to an end and the most rapid possible achievement of a political solution in which all the sides in the conflict in Bosnia are treated equally so that no side feels threatened. We continue to believe that the Contact Group's plan is a sufficiently good basis on which a framework for such a solution could be achieved and that all those who really want peace in Bosnia must become involved in this.

Kontic: No Reason To Maintain UN Sanctions

LD2704202795 Belgrade TANJUG in English 1943 GMT 27 Apr 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, April 27 (TANJUG)—Yugoslav Prime Minister Radoje Kontic said Thursday [27 April] that not a single reason existed any more for maintaining anti-Yugoslav sanctions.

'The premises for their introduction have already been proved wrong by both Yugoslavia and numerous international factors,' Kontic said in an interview to Serbia radio and television. Even the U.S. Administration and President Clinton in 1994 admitted that Yugoslavia was no aggressor in Bosnia-Herzegovina and that a civil war was being fought there, he added.

The U.N. Security Council introduced sanctions against Yugoslavia in May 1992 for its alleged involvement in the Bosnian war. Now that Yugoslavia has met all the terms set out in Resolution 757 under which the sanctions were originally introduced it cannot accept insistence of some countries to make their lifting conditional on some additional political concessions, some of which even interfere in the country's internal affairs, said Kontic.

He said that Yugoslavia did not seek formal international recognition because it was not a newly-formed state like the other republics of the former Yugoslav Federation. Unlike them, the Federal Republic of Yugoslavia is a successor to the international-legal personality of the former Yugoslav state, he explained.

At present, Yugoslavia is recognised by 157 countries with which it has diplomatic relations, Kontic said and added: 'If they don't recognise us they would not maintain diplomatic ties with us'. He said that Yugoslavia had 'no territorial pretensions whatsoever on its neighbours', i.e. the former Yugoslav republics, and rejected allegations of plans to create Greater Serbia.

Yugoslavia will recognize Bosnia-Herzegovina and Croatia when problems created by their secession have be n resolved, which means when the status of Serbs living in these areas has been defined, he said. Yugoslavia is also prepared to recognise The Former Yugoslav Republic of Macedonia [FYROM] following its recognition by the European Union, providing that FYROM does not object to Yugoslavia's succession, Kontic said. Belgrade had recognised Slovenia but this was arrogantly dismissed by Ljubljana, he said. Yugoslavia has always advocated a peaceful settlement since the outset of the crisis in the former Yugoslavia, and accepted all international peace plans, starting from the Cutilheiro plan in 1992 to the current plan of the five-nation Contact Group, Kontic said.

'This does not mean that Yugoslavia accepts these plans unreserverdly, but that it considers them to be a chance for peace and a basis for a lasting political solution,' Kontic said commenting on Yugoslavia's relations with the Srpska republic and the republic of Serb Krajina.

The Bosnian Serb leaders rejected the Contact Group plan—which in Yugoslavia's view was a good framework for the achievement of global interests of the Serbs in Bosnia—which prompted Belgrade to sever political and economic ties with them last August, Kontic said.

'It must be underlined, however, that Yugoslavia did not introduce sanctions against the Serb people in Bosnia, because it has continued sending them humanitarian aid and the deliveries now are much more substantial than before the break-off', he said.

On the position of the Serbs in Croatia, Kontic said that Yugoslavia still considered the plan of former international peace mediator Cyrus Vance the best for settling the conflict between the republic of Serb Krajina and Croatia. Speaking about chances for peace in the former Yugoslavia, Kontic said it depended primarily on some external factors and the parties involved in the conflict. He said he was optimistic because forces favouring peace were gaining ground.

Jovic Cites Need for Peace, Lifting of Sanctions

LD2704211795 Belgrade TANJUG in English 1303 GMT 27 Apr 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, April 27 (TANJUG)—A senior Yugoslav parliament official said Thursday that a peaceful end to the crisis in the former Yugoslavia, the lifting of the sanctions on Yugoslavia and its return to the international community were Yugoslavia's chief goals.

Borisav Jovic, the chairman of the lower house foreign affairs committee, said this during talks with a delegation of the Czech Republic parliament, headed by Foreign Affairs Committee Chairman Jiri Payne.

Jovic said the outcome of the conflict in Bosnia-Herzegovina depended on whether the international community treated the three warring sides (Muslims, Serbs and Croats) equally. He said Europe and the rest of the world were wrong to believe Yugoslavia was in charge of all Serb lands.

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'Yugoslavia has no influence in Bosnia, no military or political force there,' said Jovic and added that Yugoslavia nevertheless endeavored to persuade the Bosnian Serbs to accept the Contact Group plan, even though it made them scapegoats.

In regard to relations between the republic of Serb Krajina and Croatia, Jovic said Yugoslavia would support any agreement accepted by the Serbs and Croats. He said the two would soon start talks on a political solution to the crisis.

Jovic mentioned the severe consequences of the anti-Yugoslav sanctions, introduced by the U.N. Security Council in 1992, and said there was no reason for the sanctions to remain. 'We can only wait for the number of countries that realize the embargo is punishing a people for merely wanting their own state to increase', he said.

He said it was unreasonable to link the lifting of the sanctions with Yugoslavia's recognition of Bosnia, as the war in Bosnia was still going on despite the fact that nearly the entire world had recognized Bosnia.

The Czech parliamentary delegation, which arrived on Wednesday for a five-day visit to Yugoslavia, is the first to visit to Belgrade since the Czech Republic became an independent state on January 1, 1993.

Zagreb Accused of Ethnic Cleansing of Serbs

LD2704123695 Belgrade TANJUG in English 1119 GMT 27 Apr 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, April 27 (TANJUG)—Mass crimes against and persecutions of Serbs, aimed at forming an ethnically cleansed Croatian territory, started right after the outbreak of Croatia's war of secession from the former Yugoslavia in 1991, said a Yugoslav report on human rights violations of Serbs in Croatia.

The Yugoslav Foreign Ministry has recently made the document entitled 'Memorandum on the violation of human and civil rights of the Serb people in the Republic of Croatia' and sent it to governments and international organizations, including those dealing with human rights protection. The United Nations will circulate the memorandum as an official document.

Ethnic cleansing of Serbs in Croatia did not include just killing. Serbs were also taken to camps and prisons, their homes were destroyed, they were forcibly evicted and dismissed, the memorandum said.

Within the ethnic cleansing campaign in western Slavonija, Serb villages were systematically torched and destroyed, the memorandum said. The document said at least 95 camps for Serb civilians and military personnel had been registered in Croatia, in which, like in the concentration camps of the 1941-1945 fascist independent state of Croatia, thousands of Serbs were tortured and killed.

According to information collected up to August 15, 1992 alone, 183 villages and ten towns were completely ethnically cleansed from Serbs and another 87 villages were partly ethnically cleansed from Serbs, the memorandum said and added that this was mentioned in the U.N. secretary-general's official report.

The U.N. secretary-general's report of May 1993 mentioned the figure of 250,000 expelled Serbs. The memorandum said that up to the present day, the total number of Serbs who had fled Croatia under pressure rose to 350,000.

Serbs who remained in Croatia are being persecuted, their property is being seized, their homes torn down, they are forcibly converted into Catholicism and all their other rights are being violated, the document said. The memorandum said that the most frequent forms of human rights violations of Serbs in Croatia were arrests and molestations and that even Croatian officials confirmed that more than 30,000 criminal proceedings had been instituted against the Serbs.

Serbia

Seselj Lambastes Hague War Crimes Tribunal

LD2704144495 Belgrade TANJUG Domestic Service in Serbo-Croatian 1324 GMT 27 Apr 95

[FBIS Translated Text] Belgrade, 27 Apr (TANJUG)—Dr. Vojislav Seselj, chairman of the Serbian Radical Party, today condemned the UN Security Council resolution which shortens the extension of the regime of less harsh sanctions against the FRY [Federal Republic of Yugoslavia].

Seselj stressed at a news conference that "the great powers and the Security Council are thus openly siding with the Muslims and the Croats."

In connection with the launch of investigative proceedings against the leaders of the Srpska republic at the Hague tribunal for war crimes committed in the area of the former Yugoslavia, he pointed out that this shows "what the United Nations, which is dominated by the big powers, is using".

"Those who led the people into a defensive war are being accused by the United Nations of war crimes, while those who fired first—Franjo Tudjman and Alija Izetbegovic—are not on this list," Seselj specified and added:

"Personally, I am sad and disappointed that my name is not on this list. I hope that it will be on some future list and I will then immediately go The Hague. I will have something to say there."

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New Law To Control Hard Currency

95BA0201D Belgrade SRPSKA REC in Serbo-Croatian 13 Mar 95 p 11

[Article by Radmilo Cobovic: "Golden Fraud"]

[FBIS Translated Text] The Federal Law on Foreign Exchange Transactions that will be officially published in SLUZBENI LIST and go into effect when this issue of SRPSKA REC is in readers' hands is not only a sort of legalization of the state's theft of foreign exchange, but also constitutes a sort of confiscation of citizens' gold reserves. It is actually the epilogue of the "gold fever."

According to the law, payment in gold and foreign exchange within the Federal Republic of Yugoslavia [FRY] is strictly criminal, and no transaction can be contracted for on the basis of the mark or the price of gold at the time payment comes due.

Just nine months ago, certain other winds were blowing at least with respect to gold. The governor of the National Bank of Yugoslavia, Dr. Dragoslav Avramovic, wanted to create a "gold dinar." His wish was fulfilled, and the undertaking of minting a gold coin was heavily promoted in the media. The first "Avramovic gold coin" was minted in July 1994, and somehow, intentionally or not, precisely at the time when it was necessary to pay farmers, and there was not enough cash in circulation (as there is not now). Here are some recollections of how all that looked.

"Gold cannot rust," said at that time the governor who is not speaking out now—"The gold coin is money, it will not be taxed, and farmers will be able to choose between it and cash or payment in goods." The daily newspapers on 25 June 1994 extensively explained to the electorate that "the owners of a ducat will be able at any time to sell it to the National Bank of Yugoslavia at a guaranteed price of 150 dinars. If anything unexpected happens (a shortage of dinars in the banks, etc.), the gold coin can be sold at the current price of 21 dinars a gram, even if the price in London falls below $350 per ounce, or $11.25 per gram." Five days later, on 30 June, the press announced, in the style of the postwar Socialist Realism descriptions of the mining accomplishments of Alija Sirotanovic (who -how symbolic—died in the spirit of his surname [sirota in Serbo-Croatian means a poor man]), that "the record-holding harvesters will be the first owners of ducats." Then, on 31 August, the public was informed that "sales of the gold coins with the dove of peace (7.78 grams) are excellent," and also that "the minting of the large gold coin with Karadjordjevic's face and the verses of Filip Visnjic have fulfilled Governor Avramovic's great desire." As it was announced, 100,000 of the 30-gram "Capital"—1.2 grams less than an ounce—were minted. Finally, on 12 December, as an illustration of the success, there was an announcement about the "banking success in the Sabac area" under the title of "Gold Coins Selling Like Hotcakes," that "the farmers of the Sabac area, who sold wheat this year to the milling and baking industry and in return received treasury notes, realized that they were doing good business by buying gold coins. That is why the demand for them at the counters of all the commercial banks has become a hit!"

The farmers who were paid at all received ducats instead of money, and citizens were instructed to buy the gold coins with cash. Naturally, it was not bad to have one's own gold reserves in case of emergency, especially if it was claimed that one could pay with that kind of money and if the price was guaranteed. In a country in which regulations change overnight, however, in which live socioeconomic experiments are unscrupulously conducted on the people, in which the state has lost the citizens' confidence with respect to money by squandering savings deposits and bonds for economic recovery and when the headlong plunge of the standard of living is not being stopped—the latest Law on Foreign Exchange Transactions has shown that—it is risky. The owners of the gold coins were caught in a trap.

It is impossible to buy bread, meat, milk, fruits, and vegetables in the market with the ducats with the dove of peace, Karadjordjevic's face, and the verses of Filip Visnjic.... Furthermore, it is criminal ("any payment in gold within the FRY"). It is probably possible to exchange them for cash at a bank, but the question is at what price and how, because it is hard to believe the guarantee that the state gave through the press in the middle of last year without even caring about possible variations in the price of gold on the London exchange. It is particularly unlikely that the banks will have enough cash for payment, if one knows that for months now it has been pointless, unless that money is newly printed, but that is already another issue and entails other consequences. What is left is the possibility of calling upon small business for assistance—leaving for a goldsmith's shop. Other laws apply there, however. The true, realistic price is not obtained for "Avramovic's gold dinar," and instead the ducat is bought as if it were "broken gold."

The circle is thus closed for most of the individual owners of the gold reserves. If they did not buy the ducats for hoarding, but rather for practical reasons, in order to pay or buy with them, believing that they were investing in something stable, they were abandoned to the will of the state. First of all they were induced to pay cash for the gold coins which will now be bought back from them for less money.

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